



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

January 11, 2007

James Fulton, Chief
Denver Field Division
Office of Surface Mining
Reclamation and Enforcement
Western Regional Coordinating Center
1999 Broadway, Suite 3320
P.O. Box 46667
Denver, Colorado 80201-6667

Dear Mr. Fulton:

Enclosed, please find hard copies of the following inspection reports, notice of violations, cessation orders, modifications, terminations, vacations, proposed assessments, finalized assessments, conference requests, hearings held, and fines paid.

Inspections

<u>Permit #</u>	<u>Inspection Date</u>	<u>Type</u>	<u>Mine Name</u>
C/007/001	12/14/2006	Partial	White Oak
C/007/004	12/12/2006	Partial	Castle Gate
C/007/005	12/06/2006	Partial	Skyline
C/007/006	12/14/2006	Complete	Star Point
C/007/011	12/14/2006	Partial	Hiawatha Complex
C/007/012	12/15/2006	Complete	Wellington Prep Plant
C/007/016	12/21/2006	Complete	Gordon Creek 2, 7, 8
C/007/018	12/15/2006	Complete	Soldier Canyon
C/007/019	12/07/2006	Partial	Centennial Project
C/007/020	12/22/2006	Complete	Horizon
C/007/022	12/21/2006	Partial	Savage Coal Terminal
C/007/033	12/11/2006	Complete	Wildcat Loadout
C/007/034	12/15/2006	Complete	Banning Loadout
C/007/035	12/06/2006	Partial	Sunnyside Refuse/Slurry
C/007/038	12/20/2006	Complete	Willow Creek
C/007/039	12/18/2006	Partial	Dugout Canyon
C/007/041	12/11/2006	Partial	West Ridge
C/007/042	12/06/2006	Partial	Star Point Refuse
C/015/007	12/05/2006	Complete	Hidden Valley
C/015/015	12/11/2006	Partial	Emery Deep
C/015/017	12/14/2006	Partial	Des Bee Dove
C/015/018	12/07/2006	Partial	Deer Creek
C/015/019	12/14/2006	Complete	Cottonwood/Wilberg

C/015/025	12/12/2006	Complete	Bear Canyon
C/015/032	12/07/2006	Complete	Crandall Canyon
X/019/004	12/01/2006	Complete	Blackjack #1
C/041/002	12/08/2006	Complete	SUFCO

NOV/CO Termination Date

<u>Permit #</u>	<u>Date Issued</u>	<u>Date Terminated</u>	<u>NOV/CO #</u>	<u>Mine Name</u>
C/015/025	04/06/2006	12/13/2006	N06-46-2-2, 1 of 2	Bear Canyon
C/007/019	10/06/2006	01/04/2007	#10002	Centennial

NOV/CO Vacation Date

<u>Permit #</u>	<u>Date Issued</u>	<u>Date Vacated</u>	<u>NOV/CO #</u>	<u>Mine Name</u>
C/007/012	07/07/2006	11/30/2006	N06-37-1-1	Wellington

Proposed RE-Assessments

<u>Permit #</u>	<u>Date Issued</u>	<u>NOV/CO #</u>	<u>Mine Name</u>
C/015/025	04/10/2006	N06-46-2-2, 1 of 2	Bear Canyon

Hearings Held

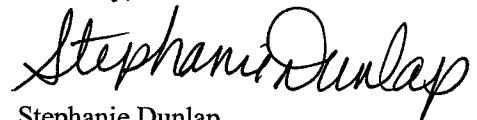
<u>Permit #</u>	<u>Date Held</u>	<u>NOV/CO #</u>	<u>Mine Name</u>
C/007/012	10/30/2006	N06-37-1-1	Wellington

Fines Received

<u>Permit #</u>	<u>Date Received</u>	<u>NOV/CO #</u>	<u>Mine Name</u>
C/015/032	12/06/2006	#10001	Crandall Canyon
C/007/019	12/07/2006	#10002	Centennial
C/007/019	12/15/2006	#10000	Centennial

All of the listed inspection reports, modifications, terminations, vacations, assessments and correspondence, included in this envelope have been verified by one of the Permit Supervisors.

Sincerely,



Stephanie Dunlap
Secretary



State of Utah

Department of Natural Resources

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Division Director

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Lieutenant Governor

Representatives Present During the Inspection:

Company Steve Demczak Environmental Scientist III

Inspection Report

Permit Number:	C0070001
Inspection Type:	PARTIAL
Inspection Date:	Thursday, December 14, 2006
Start Date/Time:	12/14/2006 10:00:00 AM
End Date/Time:	12/14/2006 2:00:00 PM
Last Inspection:	Wednesday, November 08, 2006

Inspector: Steve Demczak, Environmental Scientist III

Weather: Snow Covered, 10's

InspectionID Report Number: 1171

Accepted by: pgrubaug
12/20/2006

Permittee: **LODESTAR ENERGY INC**

Operator: **LODESTAR ENERGY INC**

Site: **WHITE OAK MINE**

Address: **2525 HARRODSBURG RD STE 235, LEXINGTON KY 40504-1628**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **RECLAIMED**

Current Acreages

3,906.00	Total Permitted
151.10	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
- ☒ State
- ☒ County
- ☒ Fee
- ☐ Other

Types of Operations

- ☒ Underground
- ☒ Surface
- ☒ Loadout
- ☐ Processing
- ☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Outstanding Violations: OSM- C04-140-116-001, DOGM- FTA C03-39-1-1, FTA C03-42-1-1, C03-42-1-2, FTA C03-42-1-3, C0-51--1-1, C03-50-2-1, FTA C04-39-1-1, C03-39-1-1, C03-42-1-2, C03-42-1-1, C03-42-1-3, C03-51-1-1, N03-46-1-1, and N03-50-1-1. These violations received an "Exclusionary Code" in the AVS on October 21, 2004 due to the General Settlement Agreement signed on August 18, 2004. The Rennert parties, Congress Financial, Wexford and the Debtors trustee will receive the "exclusion" code. Lodestar Energy, Inc will remain liable in the AVS.

There has been some grazing on the site, as reported by the AMR program. The owner of the grazing allotment is Warren Bailey.

Inspector's Signature: _____

Date Tuesday, December 19, 2006

Steve Demczak, Environmental Scientist III

Inspector ID Number: 39

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0070001
 Inspection Type: PARTIAL
 Inspection Date: Thursday, December 14, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The road to the mine site was covered with snow and ice underneath. The snow is at the bottom of the gate.

2. Signs and Markers

No identification signs are at the main gate to the loadout or mine site.

22. Other

The Division issued the Determination to Forfeit at the White Oak Mine on May 1, 2003. Chapter 7 was filed by Lodestar Energy, Inc. on July 15, 2003. The Division negotiated with the Bankruptcy Trustee and Frontier Insurance to stabilize this site. The amount of \$999,000 was escrowed from Frontier Insurance Company on October 3, 2003. Ledcor (the Frontier contractor) started work at the White Oak Mine on October 13, 2003. Ledcor (the contractor for Frontier) left the site for the winter on December 17, 2003. Reclamation work at the White Oak Loadout was done by the Mark Wayment group. \$1.217 million was received from the Global Settlement Agreement and the contractor VCM was awarded the contract to continue reclamation at the White Oak Mine. Work started on October 3, 2004 and ended in December 2004. Reclamation work began in June 2005 and was completed on November 1, 2005 for the mine and November 4, 2005 for the loadout. Weed control was conducted by AMR during the summer of 2006.

On June 18, 2004, Lodestar trustee Bill Bishop filed the master settlement between various parties (including Renco and Wexford Capital) for reclamation in a "General Settlement Fund" outside of the Lodestar bankruptcy estate. Utah received \$1.217 million dollars - this was finalized by the Bankruptcy Court on August 18, 2004.

The contract with the Frontier contractor, Ledcor, was terminated in June 2004. The monies remaining from that contract were used for reclamation at White Oak.

AMR programs administered the reclamation work at the White Oak Mine and did additional reclamation at the loadout. All reclamation work is now completed. The Division will contract the spraying of weeds annually at the mine site for three years starting in 2006.



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Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company Dennis Ware Controller

OGM Steve Demczak Environmental Scientist III

Inspection Report

Permit Number:	C0070004
Inspection Type:	PARTIAL
Inspection Date:	Tuesday, December 12, 2006
Start Date/Time:	12/12/2006 10:00:00 AM
End Date/Time:	12/12/2006 2:00:00 PM
Last Inspection:	Monday, November 13, 2006

Inspector: Steve Demczak, Environmental Scientist III

Weather: Sunny, Snow Covered, 20's

InspectionID Report Number: 1170

Accepted by: pgrubaug
12/20/2006

Permittee: **CASTLE GATE HOLDING CO**

Operator: **CASTLE GATE HOLDING CO**

Site: **CASTLE GATE MINE**

Address: **PO BOX 30, HELPER UT 84526-0030**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **RECLAIMED**

Current Acreages

7,619.00	Total Permitted
63.00	Total Disturbed
29.20	Phase I
18.20	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
- ☒ State
- ☒ County
- ☒ Fee
- ☐ Other

Types of Operations

- ☒ Underground
- ☒ Surface
- ☒ Loadout
- ☐ Processing
- ☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

There is one permit condition which is to enter all water monitoring data using the Electronic Data System.

Inspector's Signature: _____

Steve Demczak, Environmental Scientist III

Inspector ID Number: 39

Date Tuesday, December 19, 2006

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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Permit Number: C0070004

Inspection Type: PARTIAL

Inspection Date: Tuesday, December 12, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

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	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The Mine and Reclamation permit will expire on December 24, 2009.

2. Signs and Markers

The identification signs were located at the mine gates. Information was correct.

3. Topsoil

All topsoil has been used to reclaim the mine sites.

4.a Hydrologic Balance: Diversions

The diversions were open and would function during a rain storm event.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

No impoundments.

4.d Hydrologic Balance: Water Monitoring

The permittee is in the process of taking fourth quarter water monitoring.



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Lieutenant Governor

Representatives Present During the Inspection:

Company	Gregg Galecki	Environmental Coordinator
OGM	Steve Demczak	Environmental Scientist III

Inspection Report

Permit Number:	C0070005
Inspection Type:	PARTIAL
Inspection Date:	Wednesday, December 06, 2006
Start Date/Time:	12/6/2006 10:00:00 AM
End Date/Time:	12/6/2006 4:00:00 PM
Last Inspection:	Wednesday, November 08, 2006

Inspector: Steve Demczak, Environmental Scientist III

Weather: Sunny, 20's, Snow Covered

InspectionID Report Number: 1166

Accepted by: pgrubaug
12/20/2006

Permittee: **CANYON FUEL COMPANY LLC**
Operator: **CANYON FUEL COMPANY LLC**
Site: **SKYLINE MINE**
Address: **HC 35 BOX 380, HELPER UT 84526**
County: **CARBON**
Permit Type: **PERMANENT COAL PROGRAM**
Permit Status: **ACTIVE**

Current Acreages

10,374.00	Total Permitted
79.12	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
☒ State
☐ County
☒ Fee
☐ Other

Types of Operations

- ☒ Underground
☐ Surface
☐ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The permittee is meeting the following Permit Conditions:

- 1) Submit Water Monitoring data in electronic format to the Division.
- 2) Canyon Fuel Co. must submit all existing studies and data for the update of the PHC as a result of the mine inflows.
- 3) Canyon Fuel Co. must submit cumulative monthly flow data for discharges into Electric Lake and Eccles Creek.
- 4) Canyon Fuel Co. must have a qualified person compile and analyze past macroinvertebrate studies on Eccles Creek into one report.
- 5) Canyon Fuel Co. must initiate an update to and further evaluation of the Hydrologic and Channel-Stability Evaluation of Eccles and Mud Creek.

Permit Renewal was April 30, 2002, and expires on April 30, 2007. The state permit for full extraction in North Lease was approved by the state on December 2, 2005 and mining plan approval by the Secretary of the Interior was approved on February 24, 2006.

The permittee has the following permitting action with the Division: Midterm Permit Review.

Inspector's Signature: _____

Date: Monday, December 18, 2006

Steve Demczak, Environmental Scientist III

Inspector ID Number: 39

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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Permit Number: C0070005

Inspection Type: PARTIAL

Inspection Date: Wednesday, December 06, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

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1. Permits, Change, Transfer, Renewal, Sale	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

3. Topsoil

The topsoil pile at the waste rock site is protected by straw bales.

4.a Hydrologic Balance: Diversions

The undisturbed diversion on top of the waste rock site needs to be clear of snow and be opened to permit undisturbed water to flow away from the refuse pile.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Sediment ponds were inspected with no hazardous conditions noticed during the inspection.

7. Coal Mine Waste, Refuse Piles, Impoundments

The refuse pile was inspected with no hazardous conditions noticed during the inspection.

8. Noncoal Waste

The mine site was clear of non-coal waste material.

18. Support Facilities, Utility Installations

No new support facilities were constructed since the last inspection.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company Dennis Ware Controller

OGM Karl Houskeeper Environmental Scientist III

Inspection Report

Permit Number:	C0070006
Inspection Type:	COMPLETE
Inspection Date:	Thursday, December 14, 2006
Start Date/Time:	12/14/2006 11:00:00 AM
End Date/Time:	12/14/2006 2:30:00 PM
Last Inspection:	Thursday, November 16, 2006

Inspector: Karl Houskeeper, Environmental Scientist III

Weather: Clear, Temp. 38 Deg. F.

InspectionID Report Number: 1159

Accepted by: pgrubaug
12/20/2006

Permittee: **PLATEAU MINING CORP**

Operator: **PLATEAU MINING CORP**

Site: **STAR POINT MINE**

Address: **PO BOX 30, HELPER UT 84526-0030**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **RECLAIMED**

Current Acreages

8,919.91	Total Permitted
113.34	Total Disturbed
113.34	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
- ☒ State
- ☐ County
- ☒ Fee
- ☐ Other

Types of Operations

- ☒ Underground
- ☐ Surface
- ☐ Loadout
- ☐ Processing
- ☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

There are no pending compliance actions. The only permit condition currently in place is that the permittee must submit all water monitoring data in an electronic format to the Division's web site. The permittee is complying with this stipulation.

Inspector's Signature: _____

Date Thursday, December 14, 2006

Karl Houskeeper, Environmental Scientist III

Inspector ID Number: 49

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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Permit Number: C0070006
 Inspection Type: COMPLETE
 Inspection Date: Thursday, December 14, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

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 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The DOGM Permit was effective on 12/29/2003 and expires on 01/27/2007. Other documents include the following:

- Certificate of Insurance issued 07/30/06 and terminates 07/30/07.
- Reclamation Agreement is dated July 1999.
- UPDES Permit UT0023736 inactivated by letter dated November 18, 2004.
- Air Quality Permit DAQE-886-96 issued 09/20/1996.

Bond is reduced by \$4,677,600 for 93.5 acres phase 1 bond release, leaving \$3,118,400 retained (letter dated October 1, 2004 and signed by Lowell Braxton).

Condition (1) of the permit has been met, by letter dated Jan 23, 2004 (signed by Pamela Grubaugh-Littig).

2. Signs and Markers

The ID sign is located at the public access to the permit boundary. Other markers observed during the inspection were in place as required by the coal rules.

4.d Hydrologic Balance: Water Monitoring

Third quarter 2006 water monitoring is in the EDI website and is uploaded. Water monitoring is current.

20. Air Quality Permit

The Air Quality Permit DAQE-886-96 was issued on 09/20/1996 and remains in effect.

21. Bonding and Insurance

The bond issued by Travelers Casualty and Surety Company of America, Bond No. 104329368 was reduced to \$3,118,400 on October 12, 2004 (reduced from \$7,796,000 for the Phase I bond release).



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

OGM Karl Houskeeper Environmental Scientist III

Inspection Report

Permit Number:	C0070011
Inspection Type:	PARTIAL
Inspection Date:	Thursday, December 14, 2006
Start Date/Time:	12/14/2006 9:00:00 AM
End Date/Time:	12/14/2006 10:30:00 AM
Last Inspection:	Thursday, November 09, 2006

Inspector: Karl Houskeeper, Environmental Scientist III

Weather: Partly Cloudy, Temp. 30 Deg. F.

InspectionID Report Number: 1175

Accepted by: pgrubaug
1/8/2007

Permittee: **HIAWATHA COAL CO INC**

Operator: **HIAWATHA COAL CO INC**

Site: **HIAWATHA MINE COMPLEX**

Address: **PO BOX 1245, HUNTINGTON UT 84528**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

12,177.00	Total Permitted
290.00	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
- ☒ State
- ☐ County
- ☒ Fee
- ☐ Other

Types of Operations

- ☒ Underground
- ☐ Surface
- ☐ Loadout
- ☐ Processing
- ☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The purpose of this site visit was to conduct a partial inspection of the Hiawatha complex. There are no amendments pending.

Inspector's Signature: _____

Date Thursday, December 21, 2006

Karl Houskeeper, Environmental Scientist III

Inspector ID Number: 49

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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Permit Number: C0070011
 Inspection Type: PARTIAL
 Inspection Date: Thursday, December 14, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
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3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2. Signs and Markers

The Mine ID sign located along the main access road is down. The sign needs to be re-established so that it is visible to the public. The signs contained the required information.

4.a Hydrologic Balance: Diversions

The plugged culvert located by the railroad tracks has been cleaned and is now functional.

7. Coal Mine Waste, Refuse Piles, Impoundments

Trailers that were located on top of the refuse pile have been removed. The refuse pile appeared stable. The erosional cut on the inslope of slurry cell #1 has been repaired.

8. Noncoal Waste

The oil cans located near the refuse pile have been picked up and removed.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company Patrick D. Collins Resident Agent

OGM Steve Demczak Environmental Scientist III

Inspection Report

Permit Number:	C0070012
Inspection Type:	COMPLETE
Inspection Date:	Friday, December 15, 2006
Start Date/Time:	12/15/2006 9:00:00 AM
End Date/Time:	12/15/2006 3:00:00 PM
Last Inspection:	Thursday, November 16, 2006

Inspector: Steve Demczak, Environmental Scientist III

Weather: Cold, Windy, 20's

InspectionID Report Number: 1173

Accepted by: pgrubaug
12/20/2006

Permittee: **NEVADA ELECTRIC INVESTMENT CO**

Operator: **NEVADA ELECTRIC INVESTMENT CO**

Site: **WELLINGTON PREPARATION PLANT**

Address: **330 E 400 S STE 6, PO BOX 337 SPRINGVILLE UT 84663**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

1,573.50	Total Permitted
392.00	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☐ Federal
☐ State
☐ County
☒ Fee
☐ Other

Types of Operations

- ☐ Underground
☐ Surface
☒ Loadout
☒ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Inspector's Signature: _____

Date Wednesday, December 20, 2006

Steve Demczak, Environmental Scientist III

Inspector ID Number: 39

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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Permit Number: C0070012
 Inspection Type: COMPLETE
 Inspection Date: Friday, December 15, 2006

Inspection Continuation Sheet

Page 2 of 4

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
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4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The permittee has submitted an amendment to update the Mining and Reclamation Plan as required by Notice of Violation N06-39-1-1. This is scheduled to be reviewed by January 5, 2007.

2. Signs and Markers

The permittee has updated the identification signs to reflect the same telephone number on all signs.

4.a Hydrologic Balance: Diversions

The undisturbed diversion on the Westside will need to be graded once the diversion is dried out. The diversion has depression within and is muddy in several areas. The diversion is not to graded where water will flow. Diversions C-19 and C-26 on map F9-177 will need to be cleaned out or amend the MRP if culverts are not needed. One culvert could have been used during the processing of coal; therefore, plan could be amended.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The sediment ponds were inspected with no hazardous conditions noticed during the inspection. The permittee has received permission from MSHA to conduct inspections on a monthly basis instead of weekly for the upper and lower coal fines ponds. DOGM inspector will honor this change since our regulation is to address MSHA concerns.

4.c Hydrologic Balance: Other Sediment Control Measures

Sediment control measures were spot checked and were functioning as designed.

4.d Hydrologic Balance: Water Monitoring

The permittee is in the process of taking fourth quarter water monitoring water samples. Third quarter is entered into the EDS.

4.e Hydrologic Balance: Effluent Limitations

No discharge has occurred for the third quarter.

7. Coal Mine Waste, Refuse Piles, Impoundments

The refuse pile was inspected with no hazardous conditions noticed during the inspection. The permittee has conducted a third quarter refuse pile inspection. This document is P.E. certified.

8. Noncoal Waste

The site has some non-coal waste material. Trash needs to be removed.

15. Cessation of Operations

The site is inactive.

18. Support Facilities, Utility Installations

No construction has taken place since the last inspection.

21. Bonding and Insurance

The insurance will expire on 2/9/2007. There is a \$500 deductible on this policy. The Resident Agent will have this changed in February.



State of Utah

Department of Natural Resources

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Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Dan Guy
OGM	Pete Hess Environmental Scientist III

Inspection Report

Permit Number:	C0070016
Inspection Type:	COMPLETE
Inspection Date:	Thursday, December 21, 2006
Start Date/Time:	12/21/2006 9:50:00 AM
End Date/Time:	12/21/2006 12:00:00 PM
Last Inspection:	Tuesday, November 21, 2006

Inspector: Pete Hess, Environmental Scientist III

Weather: Sunny, clear and cold; teens F.

InspectionID Report Number: 1176

Accepted by: whedberg
1/9/2007

Permittee: **MOUNTAIN COAL CO**
Operator: **MOUNTAIN COAL CO**
Site: **GORDON CREEK 2, 7 & 8 MINES**
Address: **HC 35 BOX 380, HELPER UT 84526**
County: **CARBON**
Permit Type: **PERMANENT COAL PROGRAM**
Permit Status: **RECLAIMED**

Current Acreages

179.27	Total Permitted
34.15	Total Disturbed
34.15	Phase I
	Phase II
0.73	Phase III

Mineral Ownership

- ☒ Federal
☐ State
☐ County
☒ Fee
☐ Other

Types of Operations

- ☒ Underground
☐ Surface
☐ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The fourth quarter of 2006 water monitoring field and sampling requirements for the Gordon Creek #2, #7, and #8 Mines permit area was completed on November 20, 2006.

Access to the site was not possible this day, due to snow depths.

Inspector's Signature: _____

Pete Hess, Environmental Scientist III
Inspector ID Number: 46

Date Thursday, December 21, 2006

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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Permit Number: C0070016
 Inspection Type: COMPLETE
 Inspection Date: Thursday, December 21, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2. Signs and Markers

The Permittee identification sign at the down Canyon reclamation perimeter will be replaced in the spring, or as soon as access to the area is possible. Mr. Guy intends to add the correct mailing address which is now listed as Mountain Coal Company c/o West Elk Mine, Colorado. All business is now conducted from the Canyon Fuel Company, LLC, Grand Junction, Colorado office.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Mr. Guy provided the Division a copy of the letter being sent to Mr. Calvin K. Jacob and Sons, the surface property owner, requesting consultation relative to the three cell sediment pond located at the base of the reclamation area (date of letter December 14, 2006). The currently approved DOGM reclamation plan requires the removal of the ponds. A potential post-mining use of these ponds for wildlife and livestock may exist. The letter has been forwarded to the Salt Lake DOGM office.

4.d Hydrologic Balance: Water Monitoring

The review of the discharge monitoring reports for the site's single UPDES outfall, 2-1-W for the months of July, August, and September 2006 revealed a "no flow" condition for three cell sediment pond.

8. Noncoal Waste

The site was not inspectable this day due to snow depths.

19. AVS Check

The permittee is Mountain Coal Company which is owned by Canyon Fuel Company/Arch International.

21. Bonding and Insurance

The general liability insurance coverage for the site remains in effect through July 31, 2007. Coverage amounts for general aggregate and each occurrence are adequate. Coverage for damage incurred from the use of explosives is provided.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

OGM	Vicky S. Miller	Environmental Specialist
OGM	Karl Houskeeper	Environmental Scientist III

Inspection Report

Permit Number:	C0070018
Inspection Type:	COMPLETE
Inspection Date:	Friday, December 15, 2006
Start Date/Time:	12/15/2006 10:00:00 AM
End Date/Time:	12/15/2006 1:00:00 PM
Last Inspection:	Friday, September 15, 2006

Inspector: Karl Houskeeper, Environmental Scientist III

Weather: Overcast, Temp. 28 Deg. F.

InspectionID Report Number: 1163

Accepted by: pgrubaug
12/20/2006

Permittee: **CANYON FUEL COMPANY LLC**

Operator: **CANYON FUEL COMPANY LLC**

Site: **SOLDIER CANYON MINE**

Address: **PO BOX 1029, WELLINGTON UT 84542**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

6,624.64	Total Permitted
24.32	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
- ☒ State
- ☐ County
- ☐ Fee
- ☐ Other

Types of Operations

- ☒ Underground
- ☐ Surface
- ☐ Loadout
- ☐ Processing
- ☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Permit Condition: Canyon Fuel Company has just one permit condition for the Soldier Canyon Mine; to submit water quality data in an electronic format through the Electronic Data Input web site.

Permitting Actions: None

Inspector's Signature: _____

Date: Friday, December 15, 2006

Karl Houskeeper, Environmental Scientist III

Inspector ID Number: 49

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0070018
 Inspection Type: COMPLETE
 Inspection Date: Friday, December 15, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

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2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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5. Explosives	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The DOGM permit is effective 2/3/2002 and expires 2/3/2007. Other documents include the following:

- Certificate of Insurance issued 07/31/2006 and terminates 07/31/2007.
- Reclamation agreement is dated May 9, 2001 and is signed by both parties.
- UPDES permit UT0023680 effective 4/01/2006 and expires midnight 3/31/2011.
- Air Quality permit DAQE 334-94, issued 04/25/1994.
- SPCC Plan dated 12/3/2004.

2. Signs and Markers

The Mine ID sign contains the permittee name, address, phone number, and permit number.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The sediment pond inspection was conducted on 12/12/06 and compiled into a report dated 12/15/06.

4.d Hydrologic Balance: Water Monitoring

Third quarter 2006 water monitoring is in the EDI website and is uploaded. Water monitoring is current.

4.e Hydrologic Balance: Effluent Limitations

The discharge monitoring reports for October 2006 were reviewed. No discharge occurred from any of the outfalls.

20. Air Quality Permit

The Air Quality Permit DAQE 334-94 issued April 25, 1994 remains in effect.

21. Bonding and Insurance

The current Bond is \$1,593,000 from St Paul Fire and Marine Insurance Co. Bond No. 400SA1918.



State of Utah

Department of Natural Resources

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Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Dan Guy
OGM	Karl Houskeeper Environmental Scientist III

Inspection Report

Permit Number:	C0070019
Inspection Type:	PARTIAL
Inspection Date:	Thursday, December 07, 2006
Start Date/Time:	12/7/2006 10:00:00 AM
End Date/Time:	12/7/2006 4:30:00 PM
Last Inspection:	Thursday, November 02, 2006

Inspector: Karl Houskeeper, Environmental Scientist III

Weather: Partly Cloudy, Temp. 35 Deg. F.

InspectionID Report Number: 1155

Accepted by: pgrubaug
12/20/2006

Permittee: **ANDALEX RESOURCES INC TOWER DIVISION**
Operator: **ANDALEX RESOURCES INC TOWER DIVISION**
Site: **CENTENNIAL MINE**
Address: **6750 AIRPORT RD, PO BOX 902 PRICE UT 84501**
County: **CARBON**
Permit Type: **PERMANENT COAL PROGRAM**
Permit Status: **ACTIVE**

Current Acreages

6,602.02	Total Permitted
35.27	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
- ☒ State
- ☐ County
- ☒ Fee
- ☐ Other

Types of Operations

- ☒ Underground
- ☐ Surface
- ☐ Loadout
- ☐ Processing
- ☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The only permit condition currently in place is that the permittee must submit all water monitoring data in an electronic format to the Division's web site.

Citation 10002 is still pending with a modified abatement date of January 4, 2006. The original abatement date was December 4, 2006.

Inspector's Signature: _____

Date Thursday, December 07, 2006

Karl Houskeeper, Environmental Scientist III

Inspector ID Number: 49

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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Permit Number: C0070019
 Inspection Type: PARTIAL
 Inspection Date: Thursday, December 07, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

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2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The only permit condition currently in place is that the permittee must submit all water monitoring data in an electronic format to the Division's web site.

Citation 10002 is still pending with a modified abatement date of January 4, 2007. The original abatement date was December 4, 2006.

2. Signs and Markers

The mine permit ID sign located at the contact point of the public access to the permit area. The name ANDALEX Resources has been covered, since the purchase by UtahAmerican Energy. New signs need to be installed as soon as possible to reflect the changes.

Other signs and markers observed during the inspection met the coal rules.

4.a Hydrologic Balance: Diversions

Four fused pipes approximately 1000 ft. in length were within the reaches of the diversion from the warehouse up canyon to the Apex Mine. The permittee has been notified several times in the past that this practice is not acceptable. The permittee was given until 4:00 pm to have the pipe removed from the diversion to avoid enforcement action. The pipe was removed within that time frame and before the inspection was closed out. Future infractions will result in immediate enforcement action.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Sediment pond C has been cleaned and the fourth quarter and annual inspection has been revised to show the new sediment level at 7042.1 ft. Sediment capacity is calculated to be 0.650 acre ft.

4.d Hydrologic Balance: Water Monitoring

Third Quarter 2006 water monitoring is in the EDI website, but has not been uploaded. Water monitoring is current.

8. Noncoal Waste

Several items of noncoal waste were noted, but were removed before the inspection close out.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Kit Pappas	Manager of Environmental/Engineering
OGM	Karl Houskeeper	Environmental Scientist III

Inspection Report

Permit Number:	C0070020
Inspection Type:	COMPLETE
Inspection Date:	Friday, December 22, 2006
Start Date/Time:	12/22/2006 10:00:00 AM
End Date/Time:	12/22/2006 2:00:00 PM
Last Inspection:	Friday, November 17, 2006

Inspector: Karl Houskeeper, Environmental Scientist III

Weather: Overcast/Snowing, Temp. 28 Deg. F.

InspectionID Report Number: 1177

Accepted by: pgrubaug
12/27/2006

Permittee: **HIDDEN SPLENDOR RESOURCES INC**

Operator: **HIDDEN SPLENDOR RESOURCES INC**

Site: **HORIZON MINE**

Address: **3266 S 125 W, PRICE UT 84501**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

1,577.00	Total Permitted
9.50	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
☐ State
☐ County
☒ Fee
☐ Other

Types of Operations

- ☒ Underground
☐ Surface
☐ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Permit Condition #1 states that Hidden Splendor Resources will enter their water monitoring information into the electronic database, EDI. This condition is being met.

Inspector's Signature:

Date Tuesday, December 26, 2006

Karl Houskeeper, Environmental Scientist III

Inspector ID Number: 49

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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Permit Number: C0070020
 Inspection Type: COMPLETE
 Inspection Date: Friday, December 22, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

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13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The current DOGM permit C/007/020 was issued effective 10/11/2006 and expires 10/11/2011.

-Certificate of Insurance policy number TBD, issued 09/30/2006 and terminates 09/30/2007.

-UPDES permit UTG040000 (General) UTG040019 (Site Specific) effective 05/01/2003 and expires midnight 04/30/2008.

-Air Quality permit DAQE-700-70, issued November 7, 2000.

-SPCC Plan dated June 2006. The Plan is P.E. certified, stamped, signed and dated 6/20/06 by a Utah P.E.

2. Signs and Markers

The mine ID sign was observed at the point of public access to the mine. The sign contained the name of the mine, permit number, and MSHA number. The sign has been modified to include the address and phone number.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The fourth quarter 2006 pond inspection was done on 10/12/06. No problems were noted.

4.d Hydrologic Balance: Water Monitoring

Third quarter 2006 water monitoring information is in the EDI website and is uploaded. Fourth quarter 2006 water monitoring is in the EDI website, but has not been uploaded. Water monitoring is current.

20. Air Quality Permit

The Air Quality Permit Approval Order DAQE-700-00 was issued on November 7, 2000. Recent documentation shows the approval order number as DAQP-002-06.

21. Bonding and Insurance

The bond is secured by a letter of credit through Bank One in the amount of \$57,000 and collateral to add up to the amount of \$342,000. This letter of credit will expire on January 20, 2007. The appraisal was updated as of 12/20/06 for the real estate (collateral) and the appraisal is now \$625,000 - the updated reclamation cost estimate is \$445,000 in 2011 dollars.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Dan Guy
Company	Boyd Rhodes
OGM	Pete Hess Environmental Scientist III

Inspection Report

Permit Number:	C0070022
Inspection Type:	PARTIAL
Inspection Date:	Thursday, December 21, 2006
Start Date/Time:	12/21/2006 11:00:00 AM
End Date/Time:	12/21/2006 12:00:00 PM
Last Inspection:	Tuesday, November 21, 2006

Inspector: Pete Hess, Environmental Scientist III

Weather: Sunny, clear, 30's F.

InspectionID Report Number: 1178

Accepted by: whedberg
1/9/2007

Permittee: **SAVAGE SERVICES CORP**

Operator: **SAVAGE SERVICES CORP**

Site: **SAVAGE COAL TERMINAL**

Address: **6340 S 3000 E STE 600, SALT LAKE CITY UT 84121**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

160.00	Total Permitted
122.28	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☐ Federal
☐ State
☐ County
☐ Fee
☒ Other

Types of Operations

- ☒ Underground
☒ Surface
☒ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Permittee notified the DOGM on December 19, 2006 that water monitoring information for Pond 5 and the UPDES outfall designated as CV-1W for the months of October and November 2006 was in the pipeline and acceptable for uploading to the Division database. Thus, the Permittee continues to meet the Special Permit Condition included as Attachment "A" of the current State permit.

There are no compliance actions pending for the Coal Terminal permit area.

Inspector's Signature: _____

Date: Tuesday, December 26, 2006

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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Permit Number: C0070022

Inspection Type: PARTIAL

Inspection Date: Thursday, December 21, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

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	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4.d Hydrologic Balance: Water Monitoring

The Permittee is considering hiring an outside contractor to conduct, review, and report the required quarterly surface and ground water monitoring information for the Savage Coal Terminal to the DOGM EDI.

20. Air Quality Permit

The site's operational haul roads were in a damp condition. Ambient air temperatures are now within the range where road watering could create a hazard.



State of Utah

Department of Natural Resources

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Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

OGM Pete Hess Environmental Scientist III

Inspection Report

Permit Number:	C0070033
Inspection Type:	PARTIAL
Inspection Date:	Monday, December 11, 2006
Start Date/Time:	12/11/2006 12:30:00 PM
End Date/Time:	12/11/2006 1:10:00 PM
Last Inspection:	Friday, November 17, 2006

Inspector: Pete Hess, Environmental Scientist III

Weather: Sunny; some cumulus clouds. Light skiff of snow.

InspectionID Report Number: 1156

Accepted by: whedberg
1/9/2007

Permittee: **ANDALEX RESOURCES INC TOWER DIVISION**
Operator: **ANDALEX RESOURCES INC TOWER DIVISION**
Site: **WILDCAT LOADOUT**
Address: **6750 AIRPORT RD, PO BOX 902 PRICE UT 84501**
County: **CARBON**
Permit Type: **PERMANENT COAL PROGRAM**
Permit Status: **ACTIVE**

Current Acreages

100.00	Total Permitted
63.70	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
☐ State
☐ County
☐ Fee
☐ Other

Types of Operations

- ☐ Underground
☐ Surface
☒ Loadout
☒ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Permittee is current relative to the quarterly submittal of surface water monitoring information for the Wildcat permit area, and thus continues to meet the Special Permit Condition included as Attachment "A" of the current State permit.

Mr. Dave Shaver is working on a response to the DOGM relative to the Division Order, Design Drawings and Specifications, DO-004, (Task ID #2410).

There are no other compliance actions pending at this site.

Ms. Dana Sheppard accompanied the DOGM representative during today's inspection.

The Carbon County area received a light skiff of snow overnight.

Inspector's Signature: _____

Date: Tuesday, December 12, 2006

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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Permit Number: C0070033
 Inspection Type: PARTIAL
 Inspection Date: Monday, December 11, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
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	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4.a Hydrologic Balance: Diversions

The inlet to the 15-inch culvert identified as C-9a (See PLATE 2, Wildcat Loadout, Surface Facilities Watershed and Drainage, Wildcat MRP) (culvert is located beneath the train loadout reclaim belt) was observed to have its inlet cross-section silted in approximately half-way (50%). Also, the outlet of the 18-inch CMP under road culvert identified as C-11 is obstructed approximately 50%. Both areas are high maintenance areas. Sediment backs up at C-11 due to the shallow slope upon which this diversion is laid. Both culverts appeared to be capable of functioning, although their cross-sectional areas are reduced. All other diversions appeared to be capable of functioning as designed.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Pond "C" contained a frozen surface, with the elevation of the ice being well below the discharge culvert. There were no compliance issues noted for ponds A, B, D, and E. Pond "F" was not accessible during today's inspection.

20. Air Quality Permit

The operational roads within the disturbed area were observed to be in a damp condition.



State of Utah

Department of Natural Resources

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Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Vicky S. Miller	Environmental Specialist
OGM	Karl Houskeeper	Environmental Scientist III

Inspection Report

Permit Number:	C0070034
Inspection Type:	COMPLETE
Inspection Date:	Friday, December 15, 2006
Start Date/Time:	12/15/2006 8:00:00 AM
End Date/Time:	12/15/2006 10:00:00 AM
Last Inspection:	Friday, September 15, 2006

Inspector: Karl Houskeeper, Environmental Scientist III

Weather: Overcast, Temp. 28 Deg. F.

InspectionID Report Number: 1162

Accepted by: pgrubaug
12/20/2006

Permittee: **CANYON FUEL COMPANY LLC**

Operator: **CANYON FUEL COMPANY LLC**

Site: **BANNING SIDING LOADOUT**

Address: **PO BOX 1029, WELLINGTON UT 84542**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

36.42	Total Permitted
21.60	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
- ☒ State
- ☐ County
- ☒ Fee
- ☐ Other

Types of Operations

- ☐ Underground
- ☐ Surface
- ☐ Loadout
- ☐ Processing
- ☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Permit Condition: Canyon Fuel Company has just one permit condition for the Banning Loadout; to submit water quality data in an electronic format through the Electronic Data Input web site.

Inspector's Signature: _____

Date: Friday, December 15, 2006

Karl Houskeeper, Environmental Scientist III

Inspector ID Number: 49

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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Permit Number: C0070034
 Inspection Type: COMPLETE
 Inspection Date: Friday, December 15, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

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	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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11. Contemporaneous Reclamation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The DOGM permit is effective 10/24/2003 and expires 10/24/2008. Other documents include the following:

- Certificate of Insurance issued 07/31/2006 and terminates 07/31/2007.
- Reclamation agreement is dated May 9, 2001 and is signed by both parties.
- UPDES permit UTG040000 (site UTG040011) effective 5/01/2003 and expires midnight 4/30/2008.
- Air Quality permit 533-6108, issued 07/16/1980.
- SPCC Plan dated 12/3/2004.

2. Signs and Markers

Mine ID signs are placed at accesses from the public into the permit area. The signs contain the permittee name, address, permit number, and phone number.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The sediment pond inspection was conducted on 12/14/06 and compiled into a report dated 12/15/06.

4.e Hydrologic Balance: Effluent Limitations

The latest Discharge Monitoring Report is for October 2006. No discharge occurred.

20. Air Quality Permit

The Air Quality Permit 533-6108 issued July 16, 1980 remains in effect.

21. Bonding and Insurance

The current Bond is \$350,000 from St. Paul Fire and Marine Insurance Co. Bond No. 400SA1916.



State of Utah

Department of Natural Resources

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Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Rusty Netz	Environmental Coordinator
OGM	Karl Houskeeper	Environmental Scientist III

Inspection Report

Permit Number:	C0070035
Inspection Type:	PARTIAL
Inspection Date:	Wednesday, December 06, 2006
Start Date/Time:	12/6/2006 1:30:00 PM
End Date/Time:	12/6/2006 2:30:00 PM
Last Inspection:	Tuesday, November 14, 2006

Inspector: Karl Houskeeper, Environmental Scientist III

Weather: Clear, Temp. 25 Deg. F.

InspectionID Report Number: 1153

Accepted by: pgrubaug
12/20/2006

Permittee: **SUNNYSIDE COGENERATION ASSOCIATES**

Operator: **SUNNYSIDE COGENERATION ASSOCIATES**

Site: **SUNNYSIDE REFUSE & SLURRY**

Address: **ONE POWER PLANT RD, PO BOX 159 SUNNYSIDE UT 84539**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

310.00	Total Permitted
202.00	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☐ Federal
☐ State
☐ County
☒ Fee
☐ Other

Types of Operations

- ☐ Underground
☐ Surface
☐ Loadout
☐ Processing
☒ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

There are no pending compliance actions. The only permit condition currently in place is that the permittee must submit all water monitoring data in an electronic format to the Division's web site. The permittee is complying with this stipulation.

Pending Actions: Task ID #2644 Pasture Pond.

Inspector's Signature: _____

Date Wednesday, December 06, 2006

Karl Houskeeper, Environmental Scientist III

Inspector ID Number: 49

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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Permit Number: C0070035

Inspection Type: PARTIAL

Inspection Date: Wednesday, December 06, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
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2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

Pending Actions: Task ID #2644 Pasture Pond.

2. Signs and Markers

The mine ID sign is located adjacent to the tipple on a light pole. The MSHA Refuse and Impoundment signs were also checked during the inspection and contained the required information.

3. Topsoil

The berm around two topsoil piles needs maintenance work. The berms have become weakened from maintenance work on the adjacent diversion.

4.d Hydrologic Balance: Water Monitoring

Third quarter 2006 water monitoring is in the EDI website, but has not been uploaded. Water monitoring is current.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Dennis Ware	Controller
OGM	Pete Hess	Environmental Scientist III

Inspection Report

Permit Number:	C0070038
Inspection Type:	COMPLETE
Inspection Date:	Wednesday, December 20, 2006
Start Date/Time:	12/20/2006 12:15:00 PM
End Date/Time:	12/20/2006 1:35:00 PM
Last Inspection:	Thursday, November 16, 2006

Inspector: Pete Hess, Environmental Scientist III

Weather: Sunny, clear, cold, 24 degrees F @ 7:30 AM

InspectionID Report Number: 1172

Accepted by: whedberg
1/9/2007

Permittee: **PLATEAU MINING CORP**

Operator: **PLATEAU MINING CORP**

Site: **WILLOW CREEK MINE**

Address: **PO BOX 30, HELPER UT 84526-0030**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

14,670.00	Total Permitted
176.35	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
- ☐ State
- ☐ County
- ☒ Fee
- ☒ Other

Types of Operations

- ☒ Underground
- ☐ Surface
- ☒ Loadout
- ☐ Processing
- ☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Permittee is current relative to the quarterly submittal of surface water monitoring information for the Willow Creek Mine permit area. Hence, the Permittee continues to meet the Special Permit Condition included as Attachment "A" of the current State permit.

An incident occurred on November 29, 2006 at the location of the Crandall Canyon #2 shaft, which had been backfilled. As noted on November 16, 2006, the surface had settled approximately 6-8 feet. The Permittee observed on November 27, 2006 that the material had settled several hundred feet; water could be heard running into the shaft on November 27th. A decision was made to add additional material to the void on that day. Water was forced out of the shaft by the backfilling process on November 29, 2006. The Utah Division of Water Quality is assisting the DOGM in evaluating this incident.

Inspector's Signature: _____

Date Wednesday, December 20, 2006

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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Permit Number: C0070038
 Inspection Type: COMPLETE
 Inspection Date: Wednesday, December 20, 2006

Inspection Continuation Sheet

Page 2 of 4

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

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 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
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	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2. Signs and Markers

The Permittee has purchased the identification sign which will be placed at the reclaimed Willow Creek rail loading facility.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The site's one sediment pond, which is located below the main facilities area (now the Western Energy Training Center / CEU) is inspected quarterly by EarthFax Engineering. Mr. Richard B. White, P. E., performed the required quarterly inspection on September 28, 2006. There were no hazards reported; all slopes appeared stable. Both spillways were in good repair. Mr. White certified that report on September 29, 2006. As noted this day, the pond has a snow covered bottom; there were no compliance issues visible.

4.c Hydrologic Balance: Other Sediment Control Measures

As noted above, the November 29, 2006 incident at the Crandall Canyon #2 shaft is relative to sediment control and a potential off site impact. The DOGM continues to work evaluating the situation with the Utah DWQ.

4.d Hydrologic Balance: Water Monitoring

Mr. Ware notified the Division on November 2, 2006 that the third quarter of 2006 surface water monitoring information for the Willow Creek Mine permit area was in the web site "pipeline" and was acceptable for uploading. The Division notified the Permittee on December 12, 2006 that the information had been uploaded, and that all required sites with their respective parameters appeared to meet the requirements of the MRP. The quarterly review of the submitted information by the DOGM assigned hydrologist is pending. The Permittee has completed the fourth quarter of 2006 surface water monitoring requirements.

4.e Hydrologic Balance: Effluent Limitations

The Permittee submitted the November 2006 discharge monitoring report for UPDES outfall 001A (main facilities sediment pond) to the Utah DWQ on December 5, 2006. A "no discharge" situation was reported.

7. Coal Mine Waste, Refuse Piles, Impoundments

The third quarter of 2006 waste rock pile inspection was conducted by Mr. Richard B. White, P.E., of EarthFax Engineering for the reclaimed School House Canyon disposal area on September 28, 2006; P.E. certification of that inspection was performed the following day.

8. Noncoal Waste

The site is snow covered; noncoal waste was not visible.

10. Slides and Other Damage

The Crandall Creek drainage was checked at various locations for foreign sediment deposition from the Crandall #2 shaft spill on December 7, 2006. The channel appeared to have the same coloration of sediment as that observed in adjacent culverts which report flow from the undisturbed areas around the Creek.

12. Backfilling And Grading

No further work will be conducted at the Crandall Canyon #2 shaft until a re-evaluation of this area is made by the BLM, the Division, and the Permittee.

14. Subsidence Control

The Permittee applied for and received Division approval to discontinue subsidence monitoring on July 10, 2003 (Task ID #137). No annual subsidence survey was conducted for 2003, 2004, or 2005.

18. Support Facilities, Utility Installations

The Permittee has installed a secondary fence about the Crandall Canyon #2 shaft (chain link with concreted poles). "Danger" signs have been installed on the chain link. In addition to this, drill rod has been criss-crossed over the 20-foot diameter shaft opening, and chain link fencing has been secured over the opening as well. Access by unauthorized individuals is considered to be virtually not possible.

21. Bonding and Insurance

The Permittee's current general liability insurance remains in effect through July 30, 2007. Coverage amounts are adequate; coverage for explosive usage is provided. The notification clause is adequate.



State of Utah

Department of Natural Resources

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Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Vicky S. Miller	Environmental Specialist
Company	Erwin Sass	General Manager
OGM	Pete Hess	Environmental Scientist III

Inspection Report

Permit Number:	C0070039
Inspection Type:	PARTIAL
Inspection Date:	Monday, December 18, 2006
Start Date/Time:	12/18/2006 12:50:00 PM
End Date/Time:	12/18/2006 2:10:00 PM
Last Inspection:	Monday, November 20, 2006

Inspector: Pete Hess, Environmental Scientist III

Weather: Sunny, clear, cold, 20's F.

InspectionID Report Number: 1168

Accepted by: whedberg
1/9/2007

Permittee: **CANYON FUEL COMPANY LLC**

Operator: **CANYON FUEL COMPANY LLC**

Site: **DUGOUT CANYON MINE**

Address: **PO BOX 1029, WELLINGTON UT 84542**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

9,471.00	Total Permitted
57.75	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
- ☒ State
- ☐ County
- ☒ Fee
- ☐ Other

Types of Operations

- ☒ Underground
- ☐ Surface
- ☐ Loadout
- ☐ Processing
- ☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Permittee notified the Division on October 27, 2006 that the required third quarter surface and ground water monitoring information for the Dugout Canyon Mine permit area was ready for uploading to the Division electronic data base. The Division notified the Permittee on December 12, 2006 that the submitted information had been uploaded to the data base. Thus, the Permittee continues to meet the Special Permit Condition included in Attachment "A" of the current State permit.

There are no compliance actions pending for the Dugout Canyon Mine permit area.

The Mine site, leach field and waste rock site received 4-5 inches of snow on December 17, 2006.

Inspector's Signature: _____

Date: Monday, December 18, 2006

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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Permit Number: C0070039
 Inspection Type: PARTIAL
 Inspection Date: Monday, December 18, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

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	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4.a Hydrologic Balance: Diversions

All of the diversions which were inspected this day appeared to be capable of functioning as designed. None of the diversions were obstructed with pushed snow.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The mine site sediment pond had a frozen, snow covered surface which was well below the elevation of the primary discharge stand-pipe.

4.d Hydrologic Balance: Water Monitoring

Dugout Creek was observed to be flowing below the Mine.

4.e Hydrologic Balance: Effluent Limitations

Ms. Miller indicated that water samples from the lower right fork of Dugout Creek have on occasion reported high levels of oil and grease. Logging has occurred in the upper reaches of this drainage in the past. A lab error is believed to exist, but the Permittee continues to chase this anomaly.

7. Coal Mine Waste, Refuse Piles, Impoundments

A dozer was operating on the surface of the waste rock pile spreading and compacting material. Material is being backhauled from the Savage Coal Terminal wash plant (from the processing of Dugout coal) for permanent disposal within the Dugout refuse facility. There were no hazards noted. The Permittee has collected samples of this back hauled waste rock material for the three months associated with the fourth quarter of 2006. Analytical information will be submitted as part of the 2006 Annual Report. Access to the waste rock sediment pond was not necessary, as the snow accumulation had not been removed.

18. Support Facilities, Utility Installations

Ms. Miller indicated that the contractor that has been hired to repair the wildlife fence on the NW corner of the Pace Canyon fan portal facility has not been able to get the project. As noted in a previous report, several large boulders fell from the sandstone escarpment above this facility, knocking the fence down. No damage occurred to the Mine's exhaust fan.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

OGM Pete Hess Environmental Scientist III

Inspection Report

Permit Number:	C0070041
Inspection Type:	PARTIAL
Inspection Date:	Monday, December 11, 2006
Start Date/Time:	12/11/2006 2:00:00 PM
End Date/Time:	12/11/2006 3:00:00 PM
Last Inspection:	Wednesday, November 15, 2006

Inspector: Pete Hess, Environmental Scientist III

Weather: Sunny; some clouds. "C" Canyon is flowing.

InspectionID Report Number: 1158

Accepted by: whedberg
1/9/2007

Permittee: **WEST RIDGE RESOURCES**

Operator: **WEST RIDGE RESOURCES**

Site: **WEST RIDGE MINE**

Address: **PO BOX 1077, PRICE UT 84501**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

6,114.89	Total Permitted
29.06	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
- ☒ State
- ☐ County
- ☐ Fee
- ☐ Other

Types of Operations

- ☒ Underground
- ☐ Surface
- ☐ Loadout
- ☐ Processing
- ☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Division notified the Permittee on December 12, 2006 that the third quarter of 2006 surface and ground water monitoring information for the West Ridge Mine permit area had been uploaded into the OGM data base. Thus, the Permittee continues to meet the Special Permit Condition included as Attachment "A" of the current State permit.

There are no compliance actions pending.

Ms. Dana Sheppard of Blackhawk Engineering Company accompanied the DOGM representative during today's inspection.

The West Ridge site received a small snow accumulation prior to today's inspection.

Inspector's Signature: _____

Date Tuesday, December 12, 2006

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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Permit Number: C0070041
 Inspection Type: PARTIAL
 Inspection Date: Monday, December 11, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

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4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Permit Number: C0070041
Inspection Type: PARTIAL
Inspection Date: Monday, December 11, 2006

Inspection Continuation Sheet

Page 3 of 3

19. AVS Check

The Permittee submitted an application to the DOGM to update the ownership and control information for the West Ridge Mine on October 25, 2006. Task ID #2684 is undergoing the review process.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Rusty Netz	Environmental Coordinator
OSM	Henry Austin	
OGM	Karl Houskeeper	Environmental Scientist III

Inspection Report

Permit Number:	C0070042
Inspection Type:	COMPLETE OVERSITE
Inspection Date:	Wednesday, December 06, 2006
Start Date/Time:	12/6/2006 8:30:00 AM
End Date/Time:	12/6/2006 12:00:00 PM
Last Inspection:	Tuesday, November 14, 2006

Inspector: Karl Houskeeper, Environmental Scientist III

Weather: Clear, Temp. 20 Deg. F.

InspectionID Report Number: 1152

Accepted by: pgrubaug
12/20/2006

Permittee: **SUNNYSIDE COGENERATION ASSOCIATES**

Operator: **SUNNYSIDE COGENERATION ASSOCIATES**

Site: **STAR POINT REFUSE**

Address: **ONE POWER PLANT RD, PO BOX 159 SUNNYSIDE UT 84539**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

152.81	Total Permitted
88.78	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☐ Federal
☐ State
☐ County
☒ Fee
☐ Other

Types of Operations

- ☐ Underground
☐ Surface
☐ Loadout
☐ Processing
☒ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Pending actions: Task ID #2620 Midterm Permit Review.

Inspector's Signature: _____

Date Wednesday, December 06, 2006

Karl Houskeeper, Environmental Scientist III

Inspector ID Number: 49

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
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Permit Number: C0070042
 Inspection Type: COMPLETE OVERSITE
 Inspection Date: Wednesday, December 06, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
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	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

Pending actions: Task ID #2620 Midterm Permit Review.

The following permits were reviewed:

- Mining permit C/007/042 issued November 14, 2003 and expires November 14, 2008.
- UPDES permit #UTG040025 effective May 1, 2003 and expires midnight April 30, 2008 (under general permit UTG040000).
- Air Quality Permit DAQE-239-02 issued April 1, 2002, remains in effect.
- SPCC plan is not required.
- Certificate of Insurance effective 08/01/2006 and terminates 08/01/2007.
- Reclamation agreement is dated October 14, 2003 and signed by both parties.
- Storm Water Permit UTR000604, effective 08/29/02 and expires @ midnight 12/31/06 (under general permit UTR000000).

2. Signs and Markers

The mine ID signs are located at the contact points of the public road to the permit area and contains all of the appropriate information. All other signs and markers observed during the inspection were in compliance with the approved MRP.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The sediment ponds were inspected on September 19, 2006 and are included in a report dated October 11, 2006. The report was P.E. certified, dated, and stamped. No problems were noted.

4.e Hydrologic Balance: Effluent Limitations

The October 2006 discharge monitoring reports were reviewed. No discharge occurred from any of the outfalls.

7. Coal Mine Waste, Refuse Piles, Impoundments

The refuse pile was inspected on September 19, 2006 and was included in a report dated October 11, 2006. The report was P.E. dated, stamped, and signed by a registered P.E. in the State of Utah.

20. Air Quality Permit

The air quality permit DAQE-239-02 was issued on April 1, 2002 and remains in effect.

21. Bonding and Insurance

The bond is a collateral bond in the amount of \$1,254,000.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	John Gefferth	Environmental Engineer
Company	Russell Hardy	
OSM	Henry Austin	
OGM	Karl Houskeeper	Environmental Scientist III
OGM	Steve Demczak	Environmental Scientist III

Inspection Report

Permit Number:	C0150007
Inspection Type:	COMPLETE
Inspection Date:	Tuesday, December 05, 2006
Start Date/Time:	12/5/2006 10:00:00 AM
End Date/Time:	12/5/2006 4:00:00 PM
Last Inspection:	Wednesday, November 15, 2006

Inspector: Steve Demczak, Environmental Scientist III

Weather: Cold, Windy, 30's

InspectionID Report Number: 1165

Accepted by: pgrubaug
12/20/2006

Permittee: **CONSOLIDATION COAL CO**

Operator: **CONSOLIDATION COAL CO MID-CONTINENT REGION**

Site: **HIDDEN VALLEY MINE**

Address: **PO BOX 566, SESSER IL 62884**

County: **EMERY**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **RECLAIMED**

Current Acreages

960.00	Total Permitted
6.70	Total Disturbed
6.70	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☐ Federal
☐ State
☐ County
☒ Fee
☐ Other

Types of Operations

- ☒ Underground
☐ Surface
☐ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Permit last renewed 1/29/2002. The permit area is 960 acres within T. 23 S. R. 6 E. W1/2 Sec 17 and all of Sec. 18. The Permittee's address is listed on the Reclamation Agreement [12755 Olive Blvd. St Louis Mo] has changed. The corporate headquarter's address should read [1800 Washington Rd., Pittsburgh PA]. The Engineering Office for the western operations is in Sesser, IL. Consolidation Coal Co. Board of Directors has authorized an exploratory engineering study at the Hidden Valley reclaimed site. Both portals will be reopened.

Inspector's Signature: _____

Date: Monday, December 18, 2006

Steve Demczak, Environmental Scientist III

Inspector ID Number: 39

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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Permit Number: C0150007
 Inspection Type: COMPLETE
 Inspection Date: Tuesday, December 05, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

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	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The permittee is conducting minor exploration at Hidden Valley. The drill holes have been drilled. The permittee will stop for the winter due to conditions and will re-start in the spring.

3. Topsoil

All topsoil is covered with brattice at the exploration site. All drill cutting MUST be on brattice. The permittee was going to put drill cutting on the topsoil area. They have been advised that the cutting must be placed on brattice to protect the topsoil.

4.a Hydrologic Balance: Diversions

The main diversion was spot-checked and would function during a storm event.

4.c Hydrologic Balance: Other Sediment Control Measures

Silt fences were functioning as designed.

4.d Hydrologic Balance: Water Monitoring

The permittee was in the process of taking fourth quarter water monitoring.

8. Noncoal Waste

The reclaim area was clear of non-coal waste material.

12. Backfilling And Grading

The permittee will need to reclaim the three drill hole sites.

13. Revegetation

All drill sites will need to be seeded.

21. Bonding and Insurance

The public insurance policy is furnished by Steadfast Inc. Co. This policy will expire on October 5, 2007. The Certificate of Insurance form meets the requirements of the R645 Coal Rules. The bonding amount is \$90,758.



State of Utah

Department of Natural Resources

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Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Russell Hardy
OGM	Steve Demczak Environmental Scientist III

Inspection Report

Permit Number:	C0150015
Inspection Type:	PARTIAL
Inspection Date:	Monday, December 11, 2006
Start Date/Time:	12/11/2006 10:00:00 AM
End Date/Time:	12/11/2006 3:00:00 PM
Last Inspection:	Wednesday, November 15, 2006

Inspector: Steve Demczak, Environmental Scientist III

Weather: Cold, 20's Little Snow Cover

InspectionID Report Number: 1169

Accepted by: pgrubaug
12/20/2006

Permittee: **CONSOLIDATION COAL CO**

Operator: **CONSOLIDATION COAL CO SESSER OPERATIONS**

Site: **EMERY DEEP MINE**

Address: **PO BOX 566, SESSER IL 62884**

County: **EMERY**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

5,408.00	Total Permitted
289.60	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
☐ State
☐ County
☒ Fee
☐ Other

Types of Operations

- ☒ Underground
☐ Surface
☐ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Permit Conditions: Emery Deep has one permit condition. The permittee must submit water quality data in an electronic format through the Electronic Data Input web site.

No violations pending.

Inspector's Signature: _____

Date Tuesday, December 19, 2006

Steve Demczak, Environmental Scientist III

Inspector ID Number: 39

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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Permit Number: C0150015
 Inspection Type: PARTIAL
 Inspection Date: Monday, December 11, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
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	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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5. Explosives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The permittee has three projects submitted to the Division: Oil and Trash Storage areas, 1st North Boundary Addition, and a Full Extraction Plan.

3. Topsoil

The topsoil pile at the 4th East Portal was inspected and found no signs of wind or water erosion. The pile is protected by a berm.

4.a Hydrologic Balance: Diversions

The diversions were spot-checked and were recently cleaned out at the 4th east portals.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Several sediment ponds were inspected and I found no hazardous conditions during the inspection. The 4th east sediment pond did contain water but was not discharging.

4.d Hydrologic Balance: Water Monitoring

The permittee was in the process of taking water samples for the fourth quarter.

7. Coal Mine Waste, Refuse Piles, Impoundments

I inspected the refuse pile with no hazardous condition noticed during the inspection.

8. Noncoal Waste

The mine site was clear of non-coal waste materials.

18. Support Facilities, Utility Installations

No new support facilities have been constructed since the last inspection.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Douglas E. Johnson	Manager of Environmental Affairs
Company	Guy Davis	Environmental Scientist
OGM	Pete Hess	Environmental Scientist III

Inspection Report

Permit Number:	C0150017
Inspection Type:	PARTIAL
Inspection Date:	Thursday, December 14, 2006
Start Date/Time:	12/14/2006 1:20:00 PM
End Date/Time:	12/14/2006 1:30:00 PM
Last Inspection:	Thursday, November 09, 2006

Inspector: Pete Hess, Environmental Scientist III

Weather: Overcast; warm. 40's F.

InspectionID Report Number: 1161

Accepted by: whedberg
1/9/2007

Permittee: **PACIFICORP**

Operator: **ENERGY WEST MINING CO**

Site: **DES BEE DOVE MINE**

Address: **PO BOX 310, HUNTINGTON UT 84528**

County: **EMERY**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **RECLAIMED**

Current Acreages

154.86	Total Permitted
23.88	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
☐ State
☐ County
☒ Fee
☐ Other

Types of Operations

- ☒ Underground
☐ Surface
☐ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

All disturbed areas associated with the Des-Bee-Dove Mine have been reclaimed. Water monitoring is no longer being conducted.

There are no compliance actions pending.

The reclaimed areas appear to be unchanged since the November 2006 inspection.

Inspector's Signature: _____

Date: Friday, December 15, 2006

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0150017
 Inspection Type: PARTIAL
 Inspection Date: Thursday, December 14, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The Division has received a response to the deficiencies associated with the Phase III bond release application (Task ID #2714). Mr. Johnson indicated the response is relative to the CBM well which Talon Resources is permitting near the Des-Bee-Dove Mine turn around area.

4.d Hydrologic Balance: Water Monitoring

None of the reclamation channels associated with the sediment pond area were flowing this day.

19. AVS Check

The Division approved updated ownership and control information for the PacifiCorp properties located in the State of Utah (Task ID #2601) on October 11, 2006.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Dennis Oakley	Environmental Engineer
Company	Steve Demczak	Environmental Scientist III

Inspection Report

Permit Number:	C0150018
Inspection Type:	PARTIAL
Inspection Date:	Thursday, December 07, 2006
Start Date/Time:	12/7/2006 10:00:00 AM
End Date/Time:	12/7/2006 3:00:00 PM
Last Inspection:	Friday, November 17, 2006

Inspector: Steve Demczak, Environmental Scientist III

Weather: Cold, Snow Covered

InspectionID Report Number: 1167

Accepted by: pgrubaug
12/20/2006

Permittee: **PACIFICORP**

Operator: **ENERGY WEST MINING CO**

Site: **DEER CREEK MINE**

Address: **PO BOX 310, HUNTINGTON UT 84528**

County: **EMERY**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

22,213.70	Total Permitted
84.34	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
☒ State
☐ County
☒ Fee
☐ Other

Types of Operations

- ☒ Underground
☐ Surface
☐ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Permit Conditions:

- 1) During entry development if sustained quantities of groundwater are encountered which are greater than 5 gpm from a single source in an individual entry, and which continue after operational activities progress beyond the area of groundwater production, PacifiCorp must monitor these flows and notify the Division within 24 hours prior to initiation of monitoring.
 - 2) Vehicle access will not be allowed in Rilda Canyon from December 1 to April 15 for construction and/or maintenance of the Rilda Canyon Surface Facilities without prior written approval from the Division. This condition is for normal working circumstances and does not apply in an emergency situation.
 - 3) PacifiCorp will submit water quality data for the Deer Creek Mine in an electronic format through the EDI web site.
- The permittee is meeting these conditions at this time.
-Permitting Actions - New Surface Facilities in Rilda Canyon - Mining Plan Approval was issued on December 21, 2005, the state permit was issued on December 1, 2005.
-Violations: None

Inspector's Signature: _____

Steve Demczak, Environmental Scientist III

Inspector ID Number: 39

Date: Monday, December 18, 2006

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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Permit Number: C0150018
 Inspection Type: PARTIAL
 Inspection Date: Thursday, December 07, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The permittee plans to run the fan at Rilda before the end of the month.

4.a Hydrologic Balance: Diversions

The diversions were spot-checked and were functioning as designed.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The sediment ponds were inspected. I found no hazardous conditions during the inspection.

4.d Hydrologic Balance: Water Monitoring

The permittee was in the process of taking water monitoring for the fourth quarter.

7. Coal Mine Waste, Refuse Piles, Impoundments

The refuse pile was inspected with no hazardous conditions noticed during the inspection.

8. Noncoal Waste

The mine site was clear of non-coal waste material.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Guy Davis	Environmental Scientist
Company	Douglas E. Johnson	Manager of Environmental Aff
OGM	Pete Hess	Environmental Scientist III

Inspection Report

Permit Number:	C0150019
Inspection Type:	COMPLETE
Inspection Date:	Thursday, December 14, 2006
Start Date/Time:	12/14/2006 9:30:00 AM
End Date/Time:	12/14/2006 1:10:00 PM
Last Inspection:	Friday, September 08, 2006

Inspector: Pete Hess, Environmental Scientist III

Weather: Overcast; 40's F. Snow

InspectionID Report Number: 1160

Accepted by: whedberg
1/9/2007

Permittee: **PACIFICORP**

Operator: **ENERGY WEST MINING CO**

Site: **COTTONWOOD/ WILBERG**

Address: **PO BOX 310, HUNTINGTON UT 84528**

County: **EMERY**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

6,886.88	Total Permitted
62.82	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
☐ State
☐ County
☒ Fee
☐ Other

Types of Operations

- ☒ Underground
☐ Surface
☐ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Permittee is current relative to the required quarterly submittal of surface and ground water monitoring information for the Cottonwood / Wilberg permit area to the OGM electronic data base. Thus, the Permittee continues to meet the Special Permit Condition included as Attachment "A" of the current State permit.

The status of this site has not changed; it remains in temporary cessation.

There are no compliance actions pending.

Inspector's Signature: _____

Date: Thursday, December 14, 2006

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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Permit Number: C0150019
 Inspection Type: COMPLETE
 Inspection Date: Thursday, December 14, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
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3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The waste rock pond and the north pond at the mine site were both frozen and snow covered. The Permittee's third quarter impoundment inspections were conducted by Messrs. John Christensen, P.E., and Rick Cullum, RLS on September 29, 2006. There were no signs of instability or other hazards noted for any of the three impoundments (North and South ponds, and the waste rock pond). All ponds had sediment storage capacity remaining below the 60% cleanout elevation, as of 9/29/2006. The monthly inspections required for the North and South ponds at the mine site (these are MSHA ponds) are current (See R645-301-514.320), based upon the MSHA granted variance.

4.c Hydrologic Balance: Other Sediment Control Measures

The silt fence which parallels the toe of the subsoil pile on the east side of the active waste rock site was pulled out of the ground for a distance of approximately 100 feet. A few small rills were observed along the fence, where flow had passed beneath the fence. All runoff reports to the waste rock site sediment pond. The Permittee agreed to repair this fence as quickly as possible. A re-evaluation of the design for this area was discussed.

4.e Hydrologic Balance: Effluent Limitations

The UPDES outfall (mine water discharge) located in Cottonwood Canyon was inspected; water is flowing to the Creek, per the approved design. There were no issues noted. The water was clear.

7. Coal Mine Waste, Refuse Piles, Impoundments

The Permittee's third quarter of 2006 waste rock pile inspection for the "active" site was conducted by Mr. John Christensen, P.E., on September 27, 2006. The reclaimed waste rock area inspection was conducted on September 29, 2006. No signs of instability, or other hazards were noted in the Permittee's documented report. The "active" site only receives sediment pond cleanout material from the Cottonwood / Wilberg Mine ponds. The September 27 and 29 inspection reports received the required P.E. certification by Mr. Christensen on October 25, 2006. To date, the fourth quarter inspections for these two facilities had not been conducted. There were no compliance actions noted at either site this day by the DOGM.

19. AVS Check

The Division approved updated ownership and control information for the PacifiCorp properties held in the State of Utah (Task ID #2601) on October 11, 2006. Mid America Energy Holdings Company is the new owner of the Cottonwood / Wilberg Mine.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

OGM	Pete Hess	Environmental Scientist III
Company	Mark Reynolds	

Inspection Report

Permit Number:	C0150025
Inspection Type:	COMPLETE
Inspection Date:	Tuesday, December 12, 2006
Start Date/Time:	12/12/2006 9:50:00 AM
End Date/Time:	12/12/2006 11:40:00 AM
Last Inspection:	Tuesday, November 14, 2006

Inspector: Pete Hess, Environmental Scientist III

Weather: Front passing through; warm. 30's to 40's F.

InspectionID Report Number: 1157

Accepted by: whedberg
1/9/2007

Permittee: **CO-OP MINING CO**

Operator: **CO-OP MINING CO**

Site: **BEAR CANYON MINE**

Address: **PO BOX 1245, HUNTINGTON UT 84528**

County: **EMERY**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

4,416.18	Total Permitted
40.46	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
☐ State
☐ County
☒ Fee
☐ Other

Types of Operations

- ☒ Underground
☐ Surface
☐ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Permittee is current relative to the required quarterly surface and ground water monitoring submittals. Thus, the Permittee has continued to meet the terms of the Special Permit Condition included as Attachment A of the current State permit.

The Permittee indicated this day that the clean copies which will be prepared for incorporation relative to the required ASCA snow storage areas along the #3 and #4 Mine access roads have been delivered to the Salt Lake office. Processing and final approval of Task ID #2669 and the termination of N06-46-2-2, 1 of 2 is pending.

The site has seen some snow; access to the sealed/backfilled #1 Mine portals is not possible.

The Permittee, along with the DOGM, the BLM, and the USFS continue to progress relative to permitting of the 7,500 acre Federal lease addition. Issues which remain are relative to the undermining of T & E species nest areas, and the PHC.

Inspector's Signature: _____

Date: Tuesday, December 12, 2006

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
 telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0150025

Inspection Type: COMPLETE

Inspection Date: Tuesday, December 12, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
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	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The Permittee conducted the third quarter of 2006 impoundment inspections for the site's four sediment ponds and three catch basins on August 24, 2006. Mr. Mark Reynolds, P. E., conducted the inspections. There were no signs of instability or other hazards noted during the August inspection. All ponds were noted as having sediment storage available, as of 8/24. Ponds "C" and "D" are scheduled for cleaning in April 2007. There were no compliance issues noted with any of the ponds or catch basins during today's inspection. The Permittee has to date, not completed the fourth quarter impoundment inspections.

4.d Hydrologic Balance: Water Monitoring

The Permittee notified the Division on December 12, 2006 that the third quarter of 2006 surface and ground water monitoring information for the Bear Canyon permit area was in the electronic data base "pipeline" ready for uploading. The electronic notification has been forwarded to the assigned Division hydrologist for inputting to the data base.

14. Subsidence Control

The permitting of the Federal lease addition (Task ID #2680) includes an update of the secondary extraction methods to include longwall mining at Bear Canyon. Thus, an extensive evaluation of the methods to control / minimize the affects of subsidence due to longwall mining is necessary. The Permittee's application includes the technical paper "Prediction of Surface Deformation Resulting From Longwall Mining Over the Bear Canyon Reserve" by Mr. Hamed Malecki (Malecki Technologies, Inc). This document predicts the amount of surface subsidence which will be seen during the extraction of multiple overlying seams.

21. Bonding and Insurance

The current general liability insurance will expire on January 4, 2006. Mr. Reynolds is aware of this, and is in the process of renewing the required coverage amounts through Bennion-Taylor Insurance located in Murray, Utah. The Permittee has been asked to have the insurance provider clarify the language associated with the coverage for damages incurred from the use of explosives in the general liability section.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Dan Guy
OGM	Karl Houskeeper Environmental Scientist III

Inspection Report

Permit Number:	C0150032
Inspection Type:	COMPLETE
Inspection Date:	Thursday, December 07, 2006
Start Date/Time:	12/7/2006 9:00:00 AM
End Date/Time:	12/7/2006 2:00:00 PM
Last Inspection:	Thursday, November 02, 2006

Inspector: Karl Houskeeper, Environmental Scientist III

Weather: Clear, Temp, 17 Deg. F.

InspectionID Report Number: 1154

Accepted by: pgrubaug
12/20/2006

Permittee: **GENWAL RESOURCES INC**

Operator: **GENWAL RESOURCES INC**

Site: **CRANDALL CANYON MINE**

Address: **PO BOX 1077, PRICE UT 84501**

County: **EMERY**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

6,235.80	Total Permitted
10.70	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
☐ State
☐ County
☐ Fee
☐ Other

Types of Operations

- ☒ Underground
☐ Surface
☐ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

A midterm review of the Crandall Canyon Mine Permit C/015/0032 is currently in progress.

Inspector's Signature:

Date Thursday, December 07, 2006

Karl Houskeeper, Environmental Scientist III

Inspector ID Number: 49

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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Permit Number: C0150032
 Inspection Type: COMPLETE
 Inspection Date: Thursday, December 07, 2006

Inspection Continuation Sheet

Page 2 of 4

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

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3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

A midterm review of the Crandall Canyon Mine Permit C/015/0032 is currently in progress.

The DOGM permit is effective 05/10/2005 and expires 05/13/2008. Other documents include the following:

- Certificate of Insurance issued 07/01/2006 and terminates 07/01/2007.
- Reclamation agreement is dated April 1998 and is signed by both parties.
- UPDES permit UT000024368 effective 12/01/2005 and expires midnight 11/30/2008.
- Air Quality permit DAQE-AN0225003-03, issued 03/20/2003.
- SPCC Plan dated 09/18/2004.

2. Signs and Markers

The Mine ID sign is posted at the entrance to the permit area from the forest service road. The sign contains the name, permit ID #, address, and phone number of the operator. All other signs and markers observed during the inspection met the coal rules.

3. Topsoil

A portion of silt fence around the topsoil pile at the entrance to the USFS access road has collapsed. The silt fence needs to be maintained.

4.a Hydrologic Balance: Diversions

The diversion adjacent to the retaining wall by the mine substation has snow pushed into the diversion. The snow needs to be removed from the diversion.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The sediment pond was last inspected on November 27, 2006. This inspection was performed by a registered P.E. in Utah. The inspection is for the fourth quarter 2006 and annual 2006. The inspection report was P.E. dated Stamped and signed.

4.d Hydrologic Balance: Water Monitoring

Third quarter 2006 water monitoring is in the EDI website, but has not been uploaded. Water monitoring is current.

4.e Hydrologic Balance: Effluent Limitations

The August, September, and October discharge monitoring reports show an exceedance of TDS for the 30-day average. DEQ has been notified by the operator. The exceedances are from outfall 002A the mine water discharge.

8. Noncoal Waste

Several oil cans were found on the coal storage pad. These items were noted and to be removed as soon as possible.

20. Air Quality Permit

Approval Order DAQE-827-01 was modified on March 20, 2003. This modification allowed additional coal handling equipment (conveyors) for the South Crandall Portals. The new approval order, DAQE-AN0225003-03, was effective March 20, 2003.

21. Bonding and Insurance

Insurance is provided through Federal Insurance Co. policy #3710-95-29. The policy meets the minimum coverage requirements, has explosive coverage, contains the proper language in the notification clause, and shows the State of Utah as the certificate holder.

The bonded amount for the Crandall Canyon Mine is \$1,654,000, bond #14-96-15.



State of Utah

Department of Natural Resources

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Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

OGM Pete Hess Environmental Scientist III

Inspection Report

Permit Number:	X0190004
Inspection Type:	COMPLETE
Inspection Date:	Friday, December 01, 2006
Start Date/Time:	12/1/2006 8:45:00 AM
End Date/Time:	12/1/2006 9:40:00 AM
Last Inspection:	Thursday, September 08, 2005

Inspector: Pete Hess, Environmental Scientist III

Weather: Clear, cold; 30's F.

InspectionID Report Number: 1151

Accepted by: whedberg
1/9/2007

Permittee: **NEW TECH MINING CORP**

Operator: **NEW TECH MINING CORP**

Site: **BLACK JACK #1 MINE**

Address: ,

County: **GRAND**

Permit Type: **COAL EXPLORATION SMALL**

Permit Status: **RECLAIMED**

Current Acreages

	Total Permitted
	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☐ Federal
☐ State
☐ County
☐ Fee
☐ Other

Types of Operations

- ☐ Underground
☐ Surface
☐ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Division inspects the New Tech reclamation site (Blackjack #1 Mine) on an annual basis. The mine is classified as a bond forfeiture site. Snow covers approximately twenty percent of the disturbed area.

This site is located in Grand County, Utah, Township 20 South Range 20 East, just north of Thompson Springs. This site of the permit area was approximately 30 acres.

Exhibit "C", New Tech Project Reclamation Contours was used to determine the extent of the disturbed area during today's inspection. The map is dated September, 1992.

Inspector's Signature: _____

Date Monday, December 04, 2006

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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Permit Number: X0190004
 Inspection Type: COMPLETE
 Inspection Date: Friday, December 01, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

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4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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15. Cessation of Operations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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18. Support Facilities, Utility Installations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2. Signs and Markers

A few steel "T" post disturbed area perimeter markers remain at the site; this is how the site access was identified from the Thompson Canyon road. There are no other identification signs at the area.

4.c Hydrologic Balance: Other Sediment Control Measures

The reclaimed area is well vegetated with sage brush and rabbit brush. There are some erosion rills reporting from the bench where portals #1, #2, #3, and #4 were located. The primary channel between portals #1 and #5 appears to have the deepest cutting, as the "C" seam is slightly exposed. The erosion is minor, when compared to the length of time that this site has been reclaimed, and the fact that probably no repair work has been performed.

9. Protection of Fish, Wildlife and Related Environmental Issues

The reclamation area has a large cottontail population. A gray fox was seen on the Thompson Canyon road below the reclamation area.

12. Backfilling And Grading

None of the backfilled portal areas were visible; there is no visible access to the underground entries.

21. Bonding and Insurance

This is a bond forfeiture site which was reclaimed by the State of Utah.



State of Utah

Department of Natural Resources

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Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Mike Davis
OGM	Pete Hess Environmental Scientist III

Inspection Report

Permit Number:	C0410002
Inspection Type:	COMPLETE
Inspection Date:	Friday, December 08, 2006
Start Date/Time:	12/8/2006 9:22:00 AM
End Date/Time:	12/8/2006 1:30:00 PM
Last Inspection:	Thursday, November 09, 2006

Inspector: Pete Hess, Environmental Scientist III

Weather: Sunny, clear, cold, 20's F in the morning

InspectionID Report Number: 1164

Accepted by: whedberg
1/9/2007

Permittee: **CANYON FUEL COMPANY LLC**
Operator: **CANYON FUEL COMPANY LLC**
Site: **SUFCO MINE**
Address: **397 S 800 W, SALINA UT 84654**
County: **SEVIER**
Permit Type: **PERMANENT COAL PROGRAM**
Permit Status: **ACTIVE**

Current Acreages

26,766.95	Total Permitted
27.36	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
☒ State
☐ County
☐ Fee
☐ Other

Types of Operations

- ☒ Underground
☐ Surface
☐ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Permittee notified the Division on December 12, 2006 that the required third quarter of 2006 surface and ground water monitoring information for the SUFCO Mine permit area had been successfully uploaded to the Division electronic data base. Thus, the Permittee continues to meet the Special Permit Condition included as Attachment "A" of the current State DOGM permit.

There are no pending compliance actions for the SUFCO Mine permit area.

Inspector's Signature: _____

Date: Friday, December 15, 2006

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0410002
 Inspection Type: COMPLETE
 Inspection Date: Friday, December 08, 2006

Inspection Continuation Sheet

Page 2 of 3

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4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

11. Contemporaneous Reclamation

The Permittee completed the backfilling and sealing of the two underground entries associated with the South Portals on November 25 & 26, 2006. The topsoiled areas still need to be seeded. Due to the hazards which would prevail by attempting to access these reclaimed areas during the winter, the area will not be seeded until the spring of 2007. All access must come from the surface by traveling on foot in an easterly direction from the main mine facilities in East Spring Canyon.

12. Backfilling And Grading

All of the backfilling associated with the South Portals was conducted from within the Mine.

13. Revegetation

See comment under item 11.

16.a Roads: Construction, Maintenance, Surfacing

Several contractors were observed at the base of the dugway which provide access to the pump house and leach field utilized by the Mine. These included WW Clyde and Nielson Construction. It is believed that the individuals were reviewing the plans developed to construct the new Water Hollow access to Utah Route 10, in order to bid.



Action Taken on Existing Citation Utah Coal Regulatory Program

1594 West North Temple, Salt Lake City, UT 84114
Phone: (801) 538 - 5285 Fax: (801) 359-3940

Action on Citation#: *NO6-46-2-2,
1 of 2*

Permit Number: *C/015/025*

Date Cit. Issued: *4/10/2006*

☐ MODIFICATION of

☒ TERMINATION of

☐ VACATION of

☐ NOTICE OF VIOLATION

☐ CESSATION ORDER (CO)

☐ FAILURE TO ABATE CO

Permittee Name: *C.W. Mining Co. DBA CD-OP Mining Co*

Inspector Number and ID: *Peter Hess #46*

Mine Name: *Bear Canyon #3/#4 Mines*

Date and Time of Action: *4/7/2006 11AM-1PM*

Certified Return Receipt Number:

Date and Time of Service: *4/10/2006 @ 1:30 PM*

*In accordance with the provisions of the Utah Coal Mining and Reclamation Act,
Utah Code Ann. § 40-10-1 et. seq. (Act), the above referenced Citation is:*

☒ ~~Modified as follows:-~~

~~Reason for modification:-~~

☒ Terminated because:

The Permittee has submitted and received DOGM approval for snow storage ASCA area designs along the Wild Horse Ridge #3/#4 Mine primary access road. DOGM final approval of Task ID #2669 granted 7

☐ Vacated because:-

December 13, 2006

Mr. Mark Reynolds, P.E.
(Print) Permittee Representative

Peter Hess, #46
(Print) DOGM Representative

Mailed/FAXed from DOGM/PFO Peter Hess
Permittee Representative's Signature - Date

Peter Hess
DOGM Representative's Signature - Date

Refer to the "Citation For Non-Compliance" for additional information



Action Taken on Existing Citation Utah Coal Regulatory Program

1594 West North Temple, Salt Lake City, UT 84114
Phone: (801) 538 - 5285 Fax: (801) 359-3940

Action on Citation#: **10002**
Permit Number: **C0070019**
Date Cit. Issued: **10/06/2006**

☐ MODIFICATION of ☒ TERMINATION of ☐ VACATION of
☒ NOTICE OF VIOLATION ☐ CESSATION ORDER (CO) ☐ FAILURE TO ABATE CO

Permittee Name: Andalex Resources, Inc., Tower Division

Inspector Number and ID: **49 KHOUSKEE**

Mine Name: Centennial Mine

Date and Time of Action: **01/04/2007 1:37 pm**

Certified Return Receipt Number: **Hand Delivered**

Date and Time of Service: **01/04/2007 3:30 pm**

*In accordance with the provisions of the Utah Coal Mining and Reclamation Act,
Utah Code Ann. § 40-10-1 et. seq. (Act), the above referenced Citation is:*

☐ Modified as follows:

Reason for modification:

☒ Terminated because:

The Division gave verbal approval on the amendment for the construction of the new ventilation fan on January 4, 2007.
All of the abatement requirements have been met.

☐ Vacated because:

DAVE SHAVER

(Print) Permittee Representative

Permittee Representative's Signature - Date

KARL HOUSKEEPER

(Print) DOGM Representative

DOGM Representative's Signature - Date

Refer to the "Citation For Non-Compliance" for additional information

December 8, 2006

CERTIFIED MAIL
7004 2510 0004 1824 8088

Patrick Collins
Registered Agent
Wellington Preparation Plant
NEICO
330 East 400 South, Ste 6, PO Box 337
Springville, Utah 84663

Subject: Findings of Fact, Conclusions, Order and for Violation N06-37-1-1
Wellington Preparation Plant, C007/012, Carbon County, Utah

Dear Mr. Collins:

On October 30, 2006, an Informal Conference was held to review the fact of violation and assessment for N06-37-1-1. As a result of a review of all pertinent data and facts, including those presented by both the Division and yourself in the Informal Conference, the attached document constitutes the Findings of Fact, Conclusions, and Order. This Notice of Violation has been vacated. Therefore, no fine is due. Thank you for working with the Division in the process of the informal review of the Notice and for working with us to update the mining and reclamation plan.

Sincerely,

Mary Ann Wright
Associate Director, Mining
Assessment Conference Officer

MAW/vs
Enclosure
P:\GROUPS\COAL\WP\007012.WEL\Compliance\2006\Assessment conference ltr.doc

**State of Utah****Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

December 15, 2006

CERTIFIED RETURN RECEIPT
7004 2510 0004 1824 2604

Charles Reynolds, Mine Manager
Co-Op Mining Company
P.O. Box 1245
Huntington, Utah 84528

Subject: Reassessment for State Violation No. N06-46-2-2 part 1 of 2, Co-Op
Mining Company, Bear Canyon Mine, C/015/0025, Outgoing File

Dear Mr. Reynolds:

Enclosed please find the reassessment for the above referenced Notice of Violation. The abatement requirements have now been met and the violation has been terminated. Now that the violation has been terminated, the assessment can be completed.

The proposed civil penalty assessment for the above referenced cessation order was sent to you on May 10, 2006. At that time the abatement had not been completed and some of the facts surrounding the violation were not available. In accordance with rule R645-401-630, the penalty is to be reassessed when it is necessary to consider facts, which were not reasonably available on the date of the issuance of the proposed assessment. Now that the Cessation Order has been terminated (termination notice enclosed) the assessment can be completed. Following is the reassessment of the penalty for the cessation order:

- MC-06-46-02-02 Violation 1 of 2 \$880

The enclosed worksheet specifically outlines how the violation was assessed. You should note that good faith points have now been awarded. If you are satisfied with this assessment, you should make payment to the Division of Oil, Gas & Mining.

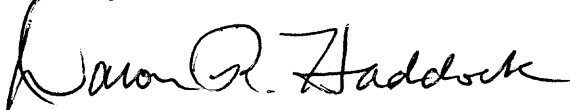
Page 2
C/015/0025
N06-46-2-2
December 15, 2006

Otherwise, under R645-401-700, there are two informal appeal options available to you:

1. If you wish to informally appeal the fact of the Cessation Order, you should file a written request for an Informal Conference within thirty (30) days of receipt of this letter. This conference will be conducted by the Division Director, Associate Director or assigned conference officer. This Informal Conference is distinct from the Assessment Conference regarding the proposed penalty.
2. If you wish to review the proposed penalty assessment, you should file a written request for an Assessment Conference within thirty (30) days of receipt of this letter. If you are also requesting a review of the fact of violation, as noted in paragraph one, the assessment conference will be scheduled immediately following that review.

If a timely request for review is not made, the fact of the cessation order will stand, the proposed penalty(ies) will become final, and the penalty(ies) will be due and payable within thirty (30) days of the reassessment. Please remit payment to the Division, mail c/o Vickie Southwick.

Sincerely,



Daron R. Haddock
Assessment Officer

Enclosure

cc: Vickie Southwick, DOGM
Price Field Office

O:\015025.BCN\Compliance\2006\reassessmentN06-46-2-2.doc

**WORKSHEET FOR ASSESSMENT OF PENALTIES
DIVISION OF OIL, GAS & MINING**

COMPANY / MINE C. W. Mining Company, (d.b.a., Co-Op Mining Company)

PERMIT C/015/0025 CO/NOV # N06-46-2-2 VIOLATION 1 of 2

REASSESSMENT DATE December 15, 2006

ASSESSMENT OFFICER Daron R. Haddock

I. HISTORY (Max. 25 pts.)

- A. Are there previous violations, which are not pending or vacated, which fall within one (1) year of the date the violation was issued?

PREVIOUS VIOLATIONS	EFFECTIVE DATE	POINTS
<u>N05-46-1-1</u>	<u>April 15, 2005</u>	<u>1</u>
<u>N06-46-1-1</u>	<u>February 3, 2006</u>	<u>1</u>

1 point for each past violation, up to one (1) year

5 points for each past violation in a CO, up to one (1) year

No pending notices shall be counted

TOTAL HISTORY POINTS 2

II. SERIOUSNESS (Either A or B)

NOTE: For assignment of points in Parts II and III, the following apply:

1. Based on facts supplied by the inspector, the Assessment Officer will determine within each category where the violation falls.
2. Beginning at the mid-point of the category, the Assessment Officer will adjust the points up or down, utilizing the inspector's and operator's statements as guiding documents.

Is this an EVENT (A) or HINDRANCE (B) violation? EVENT (A)

A. EVENT VIOLATION (Max 45 pts.)

1. What is the event that the violated standard was designed to prevent?

*****Water Pollution and unsafe road conditions.**

2. What is the probability of the occurrence of the event that a violated standard was designed to prevent?

<u>PROBABILITY</u>	<u>RANGE</u>
None	0
Unlikely	1-9
Likely	10-19
Occurred	20

ASSIGN PROBABILITY OF OCCURRENCE POINTS 20

PROVIDE AN EXPLANATION OF POINTS:

******The event that the regulation was intended to prevent is water pollution and unsafe road conditions. Snow melt water was observed reporting from the snow storage areas along primary access road at the #3 mine in an uncontrolled manner. Water pollution was occurring along the access road because adequate drainage and sediment control were not in place. The road and pad areas were becoming saturated with water and as a result could be considered unsafe. The sediment control in this area was not adequate to handle the volume of water and as a result water was running on the road and pad in an uncontrolled manner. Water pollution and unsafe road conditions did occur.***

3. What is the extent of actual or potential damage? RANGE 0-25

In assigning points, consider the duration and extent of said damage or impact, in terms of area and impact on the public or environment.

ASSIGN DAMAGE POINTS 8

PROVIDE AN EXPLANATION OF POINTS:

******The inspector indicated that minor damage had occurred as a result of the violation. Some water pollution was occurring as a result of the untreated runoff but it was very minimal (mainly just potential for damage). Because there is only minor damage and it occurred during a seasonal runoff event, points are assessed in the lower third of the range.***

B. HINDRANCE VIOLATION (Max 25 pts.)

1. Is this a POTENTIAL or ACTUAL hindrance to enforcement? RANGE 0-25

Assign points based on the extent to which enforcement is actually or potentially hindered by the violation.

ASSIGN HINDRANCE POINTS 0

PROVIDE AN EXPLANATION OF POINTS:

TOTAL SERIOUSNESS POINTS (A or B) 28

III. NEGLIGENCE (Max 30 pts.)

- A. Was this an inadvertent violation which was unavoidable by the exercise of reasonable care? IF SO--NO NEGLIGENCE; or, was this a failure of a permittee to prevent the occurrence of a violation due to indifference lack of diligence, or lack of reasonable care, or the failure to abate any violation due to the same? IF SO--GREATER DEGREE OF FAULT THAN NEGLIGENCE.

No Negligence 0

Negligence 1-15

Greater Degree of Fault 16-30

STATE DEGREE OF NEGLIGENCE Ordinary Negligence

ASSIGN NEGLIGENCE POINTS

PROVIDE AN EXPLANATION OF POINTS:

****Proper design and permitting of snow storage and water treatment are expected. A prudent operator would assure that melt water treatments are adequate to control runoff and pollution. By not permitting or adequately addressing the storage of snow and runoff of snow melt the operator shows a lack of diligence and reasonable care. The inspector indicated that he had advised the permittee to permit storage areas for snow accumulations, but the fact that the operator didn't indicates a general lack of concern. Accordingly, an assessment in the middle of the negligence range has been levied.*

IV. GOOD FAITH (Max 20 pts.)

(Either A or B)

(Does not apply to violations requiring no abatement measures)

- A. Did the operator have onsite, the resources necessary to achieve compliance of the violated standard within the permit area?

IF SO--EASY ABATEMENT

Easy Abatement Situation

- Immediate Compliance -11 to -20*
(Immediately following the issuance of the NOV)
- Rapid Compliance -1 to -10
(Permittee used diligence to abate the violation)
- Normal Compliance 0

(Operator complied within the abatement period required)
(Operator complied with condition and/or terms of approved Mining and Reclamation Plan)

*Assign in upper of lower half of range depending on abatement occurring the 1st or 2nd half of abatement period.

- B. Did the permittee not have the resources at hand to achieve compliance, or does the situation require the submission of plans prior to physical activity to achieve compliance?

IF SO--DIFFICULT ABATEMENT

Difficult Abatement Situation

- Rapid Compliance -11 to -20*
(Permittee used diligence to abate the violation)
- Normal Compliance -1 to -10*
(Operator complied within the abatement period required)
- Extended Compliance 0
(Permittee took minimal actions for abatement to stay within the limits of the NOV or the violated standard of the plan submitted for abatement was incomplete)
(Permittee complied with conditions and/or terms of approved Mining and Reclamation Plan)

EASY OR DIFFICULT ABATEMENT? **Difficult**

ASSIGN GOOD FAITH POINTS -10

PROVIDE AN EXPLANATION OF POINTS:

****Plans were required to be submitted so this is considered a difficult abatement. Although this violation seemed to take a long time to abate (issued on April 10, 2006), the Operator was timely in getting the amendment in and approved. Much of the delay was in Division review time that should not reflect upon the Operators response time. Speaking with the inspector and reviewers, it is clear that the Operator completed the abatement within the required abatement period. Ten good faith points are awarded for completing a difficult abatement within the normal compliance range.*

V. ASSESSMENT SUMMARY

NOTICE OF VIOLATION # N 06-46-2-2 (1 of 2)

I.	TOTAL HISTORY POINTS	<u>2</u>
II.	TOTAL SERIOUSNESS POINTS	<u>28</u>
III.	TOTAL NEGLIGENCE POINTS	<u>8</u>
IV.	TOTAL GOOD FAITH POINTS	<u>-10</u>
	TOTAL ASSESSED POINTS	<u>28</u>
	TOTAL ASSESSED FINE	<u>\$880.00</u>

BEFORE THE DIVISION OF OIL, GAS AND MINING
COAL REGULATORY PROGRAM
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH

---ooOoo---

IN THE MATTER OF THE	:	INFORMAL CONFERENCE
WELLINGTON PREPARATION	:	For VIOLATION N06-37-1-1
PLANT, NEVADA ELECTRIC	:	
INVESTMENT CO., (NEICO)	:	FINDINGS, CONCLUSIONS
CARBON COUNTY, UTAH	:	AND ORDER
	:	CAUSE NO. C/007/012

---ooOoo---

On October 30, 2006, the Division of Oil, Gas and Mining (“OGM” or “Division”) held an Informal Conference concerning the Fact of Violation N06-37-1-1, issued to Wellington Preparation Plant, Carbon County, Utah. The following individuals attended: Patrick Collins, Tony Garcia, Karla Knoop, and David Phillips for NEICO (the “Operator”, “Permittee” and “Petitioner”); and Wayne Hedberg, Pam Grubaugh-Littig, Priscilla Burton, Daron Haddock for OGM.

Presiding: Mary Ann Wright, Associate Director, Mining, Division of Oil, Gas and Mining

Petitioner: NEICO, Patrick Collins, David Phillips, Karla Knoop and Tony Garcia

The Findings, Conclusions, and Order in this matter are based on information provided by the Petitioner in connection with this informal conference, and on information presented by the Division both of which are in OGM files. A copy of the Division’s information was provided to NEICO at the conference. Information presented by NEICO was presented at the conference and after the conference on Nov. 2.

FACTS PRESENTED: Fact of the Violation

1. By letter dated September 1, 2006, Mr. Patrick D. Collins, Resident Agent/ Environmental Consultant for NEICO requested an informal conference to discuss the fact of violation and the proposed assessment for Violation N06-37-1-1.
2. Pursuant to Utah Code Ann. Section 40-10-20 and Utah Administrative Rules R645-401-

700, notice of the informal conference was properly given and an informal conference in the matter was held on October 30, 2006.

3. The Violation was issued on July 7, 2006 for Failure to operate the Dryer Pond in accordance with the approved plan and failure to adequately close or manage the water well. The Price River Pump house reclamation occurred in 2004.
4. The Violation was primarily abated by submittal of updated information to the Division.
5. Ms. Priscilla Burton, OGM Inspector, presented a Conference package of documents including: a chronology of abatement, historic and current photographs, previous inspection reports, sections of the approved MRP narrative and maps, Inspector's Statement and proposed assessment. Ms. Burton went through the package and explained the information provided. She explained that when she became the inspector in 2005, she was concerned to determine the source of water that had begun appearing in the Dryer Pond and she believed the permittee should investigate this matter and update the mine and reclamation plan. Further, the permittee needed to address the final well closure that remained incomplete as the result of a contractor having gone awry from the operator's direction.
6. Collectively, the Petitioner NEICO stated that there was a disconnection between what was expected and what was written in the OGM Inspection reports and also in verbal communications between NEICO and the OGM inspector. When the operator understood that a violation would be issued and in fact was, a number of studies were undertaken: on water rights, investigations of old mine plans and maps, historical investigations, ground and surface water studies and comparisons, etc. These were done in order to better determine what the water management plan at the site should consist of, and to write this plan into the MRP. NEICO asserted that the site, while not currently active, is an active asset to NEICO and will have a use in the future.
7. NEICO asserted that violations are taken seriously and NEICO has taken a number of steps to update the MRP and investigate the water issue. NEICO has submitted an amendment to its MRP addressing these issues with the required C1 and C2 forms. These plans are under review by the Division.

8. It was agreed by both NEICO and the Division, in the Inspector's statement, that there was no harm either to the public's safety or to the environment caused by the lack of water well management in the plan or by water going into the Dryer pond.

CONCLUSIONS

- No environmental harm occurred as a result of not knowing the source of the water going into the Dryer Pond.
- No harm to the public's safety existed as a result of water flowing into the Dryer Pond.
- No safety or environmental harm occurred as a result of a lack of well management plan existing in the MRP.
- OGM was correct in having the permittee investigate the origin of the water in the Dryer Pond and address the water well management.
- OGM was correct in requiring updates to the MRP.
- Updates to the MRP should continue to address the proper site management and reflect the situation existing on the ground.
- A Division Order under the Utah Coal Rules can be issued in the place of the violation, but may not be needed.
- The Violation should be vacated and MRP amendment review should continue by the Division.

ORDER

NOW THEREFORE, it is ordered that:

- The Notice of violation, N06-37-1-1, is hereby vacated.
- NEICO must continue to update its MRP to reflect conditions on the ground, including, but not limited to, the intended use, operation and reclamation, of the well and the dryer pond.

SO DETERMINED AND ORDERED this 30th day of November 2006

Mary Ann Wright, Associate Director, Mining
Informal Conference Officer
Division of Oil, Gas and Mining
State of Utah

Genwal Resources, Inc.

17476

INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	AMOUNT PAID	DISCOUNT	NET AMOUNT
200611 C015032	11/03/06	110.00	110.00	.00	110.00
			Check Total		110.00

FOR SECURITY PURPOSES, THE FACE OF THIS DOCUMENT CONTAINS A TWO-TONED COLORED BACKGROUND AND MICROPRINTING IN THE BORDER

Genwal Resources, Inc.
153 Highway 7 South
Powhatan Point Ohio 43942

Wells Fargo Bank, N.A.
Castle Dale Branch
121 E. Main St.
Castle Dale, Utah 84513

DATE	CHECK NO.	AMOUNT
11/29/06	17476	\$110.00

ONE HUNDRED TEN AND 00/100 DOLLARS

PAY TO THE ORDER OF
DIVISION OF OIL GAS & MINING
PO Box 145801
SALT LAKE CITY UT 84114-5801
US

VOID AFTER 6 MONTHS
Robert D. Moore, Treasurer

⑈0017476⑈ ⑆12400297⑆ ⑆2010000723⑈

Chris/0032

original check given to V. Bailey

RECEIVED

DEC 06 2006

DIV. OF OIL, GAS & MINING

Andalex Resources, Inc.

10597

INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	AMOUNT PAID	DISCOUNT	NET AMOUNT
200611 N06-4911	11/03/06	1,100.00	1,100.00	.00	1,100.00
			Check Total		1,100.00
<p style="text-align: center;">RECEIVED DEC 07 2006 DIV. OF OIL GAS & MINING</p>					

FOR SECURITY PURPOSES, THE FACE OF THIS DOCUMENT CONTAINS A TWO-TONED COLORED BACKGROUND AND MICROPRINTING IN THE BORDER

Andalex Resources, Inc.
 153 Highway 7 South
 Powhatan Point Ohio 43942

Fifth Third Bank Northeastern Ohio
 1404 East Ninth Street
 Cleveland, Ohio 44114

6-271
 410

ONE THOUSAND ONE HUNDRED AND 00/100 DOLLARS

DATE	CHECKING	ENDORSEMENT
12/01/06	10597	0000006114793

AMOUNT \$1,100.00

PAY TO THE ORDER OF
 DIVISION OF OIL GAS & MINING
 PO Box 145801
 C/O WICKIE SOUTHWICK
 SALT LAKE CITY UT 87114-5801
 US

VOID AFTER 6 MONTHS

Robert D Moore
 Robert D Moore - Treasurer

⑈0010597⑈ ⑆04100271⑆⑆7521665096⑈

SECURITY FEATURES INCLUDED. DETAILS ON BACK

Original given to V. Bailey

RECEIVED
DEC 07 2006

DIV. OF OIL, GAS & MINING

Andalex Resources, Inc.

10630

INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	AMOUNT PAID	DISCOUNT	NET AMOUNT
N #10000	10/18/06	198.00	198.00	.00	198.00
			Check Total		198.00

original check went to V. Bailey

FOR SECURITY PURPOSES, THE FACE OF THIS DOCUMENT CONTAINS A TWO-TONED COLORED BACKGROUND AND MICROPRINTING IN THE BORDER

Andalex Resources, Inc.
153 Highway 7 South
Powhatan Point Ohio 43942

Fifth Third Bank Northeastern Ohio
1404 East Ninth Street
Cleveland Ohio 44114

6271
410

DATE	CHECK NO.	AMOUNT
12/07/06	10630	000000114793

ONE HUNDRED NINETY-EIGHT AND 00/100 DOLLARS

PAY TO THE ORDER OF
DIVISION OF OIL GAS & MINING
PO Box 145801
C/O VICKIE SOUTHWICK
SALT LAKE CITY UT 87114-5801
US

VOID AFTER 6 MONTHS

Robert D Moore
Robert D Moore - Treasurer

SECURITY FEATURES INCLUDED: DETAILS ON BACK

⑈0010630⑈ ⑆041002711⑆7521665096⑈

Incoming
C/007/0019